

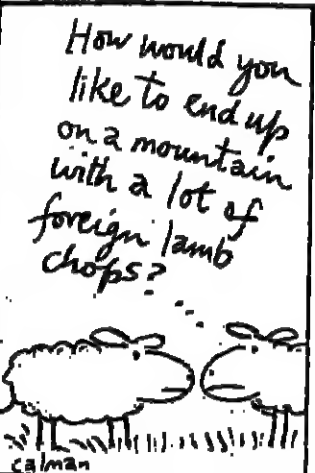
EC budget formula accepted by Cabinet

Yesterday accepted proposals, put by foreign affairs ministers in week, to settle the wrangle between EEC partners on the size of the contribution to the Community's budget. It amounts to a refund over the 1982 of more than £2,000m.

to get £2,000m over three years

respondent

Yesterday proposals for the EEC budget formula were accepted by the Cabinet. The proposals, which were put forward by the Foreign Office, would result in a refund of over £2,000m over the next three years. The proposals were accepted by a majority of 10 to 2.



more the huge financial cost of the common agricultural policy's swelling food surpluses. How, he asked, could Sir Ian justify the Government's position of achieving a budgetary broad balance?

Mr Shore estimated that even with the refunds Britain would still be paying £1,500m over the next three years to countries more prosperous than we were for the sole purpose of increasing already unmanageable food surpluses. To Lord Carrington, the Conservative benches he inquired when the Prime Minister would cease playing Lady Bountiful to the Community.

Sir Ian had little difficulty in justifying the settlement and in crushing Mr Shore at the same time. He replied that the total effect on food prices of the present agreement over the coming year would be the same as the increase that took place under the Labour Government every fortnight. The Opposition had achieved nothing to reduce the budget contribution during the five years Labour was in power. Now Mr Shore had the effrontery to say that the Government should reject a refund of £710m this year and £860m next year.

The agreement on food prices would mean an increase of 0.7 per cent on the retail price of 0.15 per cent on the retail price index. Lord Carrington said that in the long term the most important part of the package was the commitment of the Council to review the development of Community policies and the operation of the restraints imposed by the one per cent VAT ceiling, would enable pressure to be kept up for lasting reforms in the way the British budgetary problem.

The review offered an opportunity which had never been available before. The Government believed that, taking the balance of these proposals, Britain would be able to move to a fair and advantageous outcome. There was now an unrivalled opportunity to put the Community's finances on a sounder basis.

Both Lord Carrington and Sir Ian, in a hearing gesture, pointed out that there should be no belittling the concessions made by our partners at a time when the general economic background was unfavourable. The Prime Minister said, page 2. Parliamentary report, page 6. Nine face decision, page 7. Leading article, page 15.

taken in pregnancy could lead of 'blue babies', doctor says

that aspirin taken at any stage of pregnancy was the first in a series of studies in London. The director of the study, Dr. John H. Garrod, said that aspirin could lead to the birth of 'blue babies' who suffer from a condition known as neonatal methemoglobinemia.

dosage of aspirin caused the damage, or what period of pregnancy was critical. "It could be argued that the evidence is not all in," Dr. Garrod said. "But the red flag is up as far as I am concerned. On the evidence before us it would be unwise for women to take aspirin at any time during pregnancy until we get further clarification."

Saboteurs blow up S African oil plants

From Eric Marsden Johannesburg, June 2 Simultaneous sabotage attacks on three of South Africa's oil-from-coal plants in the Transvaal last night caused damage estimated at £3.3m and rudely shook the belief that urban terrorism was likely to be confined to minor bomb attacks by ill-trained insurgents.

The attacks, just before midnight, were on some of the nation's most vital fuel installations and in the heart of its richest industrial area—Sasol One, at Sasolburg, south-west of Vereeniging, the neighbouring Naef plant, and Sasol Two at Secunda, about 60 miles to the east. The explosions at Sasol One sent up sheets of flame from several huge oil tanks in the biggest fire in South Africa's history.

In London, the outlawed African National Congress, a militant, black nationalist group committed to overthrowing the South African Government, claimed responsibility for the attacks. AP.

Opposition spokesmen have called for an inquiry into security precautions at the Sasol plants. The Government is believed to be considering using troops to protect vital plants, but Mr. Kobie Coetsee, the deputy Defence Minister, declined to confirm this, though he said the defence force would "take a number of steps" because of the sabotage.

Police have started a wide-spread hunt for the saboteurs, who appear to have escaped without trace from all three areas, though at Naef, one of them was stopped by a black security watchman but got away after shooting him. Eye-witnesses said that for three hours after flames from the explosions leapt 300 yards into the sky, the surrounding urban area was lit as brightly as day. This morning smoke from Sasolburg was drifting over Johannesburg's southern suburbs more than 50 miles away.

Firefighting units were called in from Johannesburg and surrounding towns and roads to Sasolburg were closed off by police. By early morning the firemen had brought the main fires under control; but some of the fires are expected to continue burning for several hours as there are thousands of tons of fuel in the tanks.

Mr. J. A. Stegmann, managing director of Sasol, disclosed that most of the loss was to oil products. More than £1m worth of petrol was burning at Sasol and aviation fuel worth £1.3m at Naef. The other £1m worth of damage was done to five oil tanks at Sasol One and three at Naef. Damage at Secunda, where the explosions failed to ignite the tanks, was minimal.



A pillar of smoke rising from a South African oil plant after bomb explosions near Johannesburg yesterday.

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There was little doubt that it was a carefully planned terrorist attack; but apart from the damage to the tanks, the loss of life and property was minimal.

Mr. Stegmann said there were continuous security patrols at all three plants. At Sasol One, a patrol had found a breach in the security fence and were investigating this when the first two explosions occurred.

The sapper was moved to hospital in Jerusalem where, after an operation, he was said to be in a critical condition, having lost his sight. Coming exactly four weeks

Bomb blasts seriously injure militant Palestinian mayors

From Christopher Walker Ramallah, June 2 Rising tensions between Arabs and Israelis in the occupied West Bank reached a dangerous new level today after a series of carefully co-ordinated bomb and grenade attacks severely mutilated two of the most popular Palestinian mayors and injured several Arab civilians in the holy city of Hebron.

A third militant Palestinian mayor, narrowly escaped death when a booby trapped device attached to his garage door exploded in the face of the Israeli sapper who was trying to defuse it.

As anger spread rapidly through the Arab community three more Palestinian youths were wounded near the centre of this occupied town when heavily armed Israeli troops opened fire on stone-throwing demonstrators.

Earlier, there were grotesque scenes in the crowded corridors around the operating theatre in Ramallah's small and ill-equipped hospital where the mayor, Mr. Karim Khalef, was having a foot amputated. Scores of local Palestinian women began cheering unashamedly as a rumour spread that the Israeli sapper, whose bloody and badly disfigured body had been wheeled through the streets earlier, had died of his wounds.

The rumour was false, but the spontaneous joy of the Arab women was a disturbing indication of the hatred which exists between the Arabs and Jews after an occupation which has lasted for 13 years.

The sapper was moved to hospital in Jerusalem where, after an operation, he was said to be in a critical condition, having lost his sight. Coming exactly four weeks

after the Palestinian ambush which killed six Jewish settlers in Hebron, today's attacks were widely presumed to have been carried out by rightwing Jewish extremists. They are seeking the expulsion of all Arabs from the territory which they describe by its biblical name of Judea and Samaria.

Over the past few weeks, there have been signs of underground Jewish terror groups being formed, dedicated to attacks against Arabs. Two Jewish extremist leaders were recently committed to administrative detention on suspicion of involvement and a secret arms cache was discovered in a Jewish religious institution.

Suspicion about the involvement of extremist Jews increased tonight when reports that the grenade hurled at Arab shoppers in Hebron market was of Israeli manufacture. The attack was launched only days after the final lifting of the curfew which had been in operation since the beginning of last month.

As well as inflaming passions among more than a million residents of the West Bank and Gaza, today's attacks have further reduced the chances of their leaders ever being persuaded to accept a Palestinian autonomy scheme. It was clear that the three mayors had been singled out because they were the most outspoken advocates of Palestinian nationalism in the West Bank.

The violence began at 8am when a bomb exploded under the Cadillac being started up by Mr. Khalef. Minutes later a similar device exploded as Mr. Bassam Shaka, mayor of Nablus, climbed into his car and pressed the clutch. The third device

High Court writ loses Royal Command

By Marcel Berlins Legal Correspondent The last High Court writ bearing the Royal Command was issued yesterday. From today—ending a practice that has lasted for 700 years—the writ of summons will contain the name neither of the Queen nor the Lord Chancellor.

The old writ, the document by which a High Court action is started, commenced resplendently with the words: "Elizabeth the Second, by the grace of God, of the United Kingdom of Great Britain and Northern Ireland, and of our other realms and territories Queen, head of the Commonwealth, defender of the faith We... command you..."

The rather more prosaic words of the new writ merely say: "To the defendant. This writ of summons has been issued against you by..." The last writ was issued in an action for damages for personal injury sustained in a car accident in Hertfordshire. The writ was issued at 4.50 pm by a firm of solicitors in Holborn, London, Sharpe Pritchard and Company.

The ancient form did not go easily. Protests about its abolition and the manner in which it was decided, resulted in the resignation of a Chief Master of the Supreme Court and an angry correspondence in the Times and the legal press. Lord Halsbury of St. Marylebone, the Lord Chancellor, explained in a letter to the Times that the writ bearing the Royal Command was deficient because, first, it did not tell the person receiving it what the document meant in simple language; and second, it misled some defendants into thinking that the Queen, that is, the Government, was taking sides against them.

Appeal council withdraws from fund-raising for Olympic team

By Nicholas Timmins The Olympics Appeal Council, composed of 100 leading industrialists and businessmen, yesterday announced that it has decided to stand down and take no further part in raising funds for the British team for the Moscow Olympics.

The decision was announced by the chairman of the council, Sir Anthony Tuke, chairman of Barclays Bank, in a brief statement. He said the council's members had decided that in the present international situation they cannot do other than support the government of the day on a matter of foreign policy.

The decision by the council leaves the British Olympic Appeal some £200,000 short of its new target of £500,000, the money it needs to send the reduced team of about 200 athletes to Moscow. Mr. George Nicholson, the appeal secretary, said fund raising would still go ahead "at full tilt". "We still hope to raise a further £300,000 urgently in the next few weeks," he said, "and we will not dis-appoint the sportsmen and women who have trained so hard."

spent on the winter games at Lake Placid, in the United States. Since the invasion, and the Government's support for an Olympic boycott, the council has not undertaken any fund-raising activities, according to Mr. David Storey, Sir Anthony's personal assistant, who yesterday dealt with queries as Sir Anthony is in New Orleans on business. Mr. Storey said that since the

Government's stand there was clearly "some reluctance to give by business." Mr. Nicholson said that of the new target of £500,000, £555,000 had been raised, with a further £50,000 promised. He was confident by the end of the week that the appeal will have received 50 per cent more funds, than in previous years, but he conceded that raising the extra £200,000 is going to be "a considerable struggle."

All-day Cabinet talks on economy

By Ian Bradley Mrs Margaret Thatcher has called a special one-day meeting of the Cabinet next month to review the Government's economic policy.

The meeting, which will take place at 10 Downing Street on July 16, will be the first of its kind to be held by the Government, although in Opposition. Mrs Thatcher has several similar all-day meetings with her Shadow Cabinet. Whitehall sources are discouraging inevitable speculation that the decision to call the meeting heralds a change in government thinking over a five-bundling of the economy and a retreat from the strict monetary principles that have so far guided it.

whole range of the Government's economic policy and have a more leisurely look at it than is possible in the usual Thursday morning Cabinet sessions. No special significance is being attached to the timing of the meeting although it is being pointed out in Westminster that July is the time when government traditionally turn their thoughts to income policies. Although it is clear that no such U-turn is in the mind of Mrs Thatcher and her Treasury ministers, there is no doubt that those in the Cabinet who are less committed to a purely monetarist approach and who favour some move towards incomes policy as a means of dealing with the steadily rising levels of pay settlements, will find the July 16 meeting to argue their case forcefully.

There is also growing concern among many Conservatives about the effects that the present high interest rates are having on the profitability and investment programmes of industry. Biffen reminder: Mr. John Biffen, Chief Secretary to the Treasury, last night in the Commons rejected appeals from some Tory MPs for the Government to consider a more formal pay policy (our Parliamentary Correspondent writes). Winding up a debate during the committee stage of the Finance Bill, Mr. Biffen added that the story of economic policy in Britain since the war was a policy of fits and starts, of successive governments which had abandoned policies when they ran into difficulties. On interest rates, Mr. Biffen said there was a possibility of a fall later in the year.

Idi Amin found by BBC after 5-month search

By a Staff Reporter Idi Amin, the former President of Uganda, will appear on the BBC Television Nine o'Clock News tonight in an interview with Brian Barrow, editor of the New Statesman. Mr. Barrow and Muhammad Amin, a Visions cameraman, found Mr. Amin in a secret refuge in an Arab country.

Amin insisted that precise details of his whereabouts should remain secret, Mr. Barrow said. In the interview Mr. Amin, who was deposed 14 months ago, dismisses reports of atrocities and said he still saw himself as Uganda's saviour. The BBC will not be paying Mr. Amin an interview fee.

Shell petrol up by 3p a gallon

Shell increased its petrol prices for the second time in a fortnight. The price of a gallon at the pumps went up by about 3p at midnight. The rise reflects the latest increase by the Organisation of Petroleum Exporting Countries. More increases are on the way with Saudi Arabia expected to raise its crude oil price by \$4 a barrel. Page 19

Support for musicians

The Association of Broadcasting and Allied Staff supported the Musicians' Union in its dispute with the BBC by refusing to allow a live broadcast of the Radio 3 lunchtime concert from St John's Smith Square, London. Paul McCartney, the King's Singers and Jack Brymer also refused to cooperate with the BBC. Page 3

Big Gandhi victory in state elections

Mrs Gandhi consolidated her position when her party won elections in eight states, including Uttar Pradesh, where a sixth of India's voters live, making it an important political counter. When she was elected in January Mrs Gandhi controlled only one state government. Page 9

Lucas set to cut jobs

Redundancies for 2,000 workers are expected to be announced by Lucas Industries, the motor components company. As recession bites deeper, Lucas is likely to tell unions that jobs must be lost at 11 plants in the west Midlands. More than 2,000 jobs at other component companies in the area have already been lost in recent weeks. Page 19

Grand Prix declared void

The International Automobile Federation have declared Sunday's Spanish Grand Prix at Jarama illegal. They have also barred from their meetings representatives of the Formula One Constructors Association, who are involved in a power struggle with the International Motor Sport Federation, motor sport's governing body. Page 12

Labour wrangles: Internal policy battle intensifies

with speeches from Mr Denis Healey and Mr Wedgwood Benn. Page 2

Iran: Mr Ramsey Clark, the former Attorney-General, is one of 10 Americans privately attending the anti-US conference in Tehran

Classified advertisements: Appointments, pages 17, 25; Personal, 25, 27, 28; Reader services directory, 26; Sale rooms and antiques, 8

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NEWS

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Mr Paddy Leech, deputy
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The association has also said
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vented the broadcast of the
concert from St John's yester-
day, the Musicians' Union said
that the players involved
would not have performed if
the union had urged them not
to.

Ban by broadcasting
union lends support
to striking musiciansBy Martin Huckerby
Music Reporter

The Association of Broadcast-
ing and Allied Staff yesterday
gave support to the Musicians'
Union in its dispute with the
BBC by refusing to allow the
live broadcast of the Radio 3
concert from St John's, London.

Elsewhere Paul McCartney,
the former member of the
Beatles group, who is a member
of the Musicians' Union, refused
to take part in an interview for
the BBC; the King's Singers told
the BBC they could not carry
out two scheduled recordings;

and Jack Brymer the clarinet-
ist, refused to present the
Radio 3 programme, *Mainly for
Pleasure*.

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Mr Stanley Hibbert, assistant
secretary of the union, said the
musicians were not members of
the union but were prepared
to stop the performance. How-
ever, since it was not going to
be broadcast, they went ahead,
so the audience was not
deprived. BBC listeners heard
records of the same works.

The late afternoon pro-
gramme on Radio 3, *Mainly
for Pleasure*, went out with an
alternative presenter.

Television programmes ap-
peared unaffected yesterday
and although it had been
thought that the *Old Grey
Whistle Test* on BBC 2 tonight
would be halted by the strike
it now looks as if the BBC will
be able to put out a modified
programme.

The union said that two of
the orchestras involved in the
strike, which is in protest at
the BBC's decision to disband
five of its 11 orchestras as part
of its general economies, had
been threatened with legal
action.

After concerts in Belfast at
the weekend by the BBC
Northern Ireland Orchestra and
in Perth by the BBC Scottish
Symphony Orchestra, the union
said the BBC had given a warn-
ing to them about the possi-
bility of legal action because
profits from the concerts were
to go to the union's hardship
fund. The BBC said yesterday:
"We said before the concert
that any payment would be
given by us to charity, but
those payments are due to us
and not the orchestra."

Campaign to
thwart £12m
project and
save homes

By Frances Gibb

Traders and residents of
Covent Garden and Soho yester-
day began a round-the-clock
occupation of a Victorian block
of flats in an attempt to save
them from demolition by West-
minster City Council.

The block, Sandringham
West, which contains 90 flats
and is in Charing Cross Road
near Cambridge Circus, is to
be pulled down for a £12m
project including an underground
car park for nearly 400 cars,
115 flats and shops.

But local community groups
and traders with premises in
the block are fighting the
scheme, described by the Royal
Fine Art Commission as "totally
inappropriate both architectu-
rally and socially" on the ground
that it is extravagant and waste-
ful.

With the last occupant due
to leave tomorrow half a dozen
residents and traders, including
members of the Soho Society
and Covent Garden Community
Association, yesterday moved
into one of the flats which has
not been boarded up.

Mr James Monahan, an execu-
tive member of the association,
said: "Feelings are running
high over these proposals. It is
just wanton waste. The council
has totally ignored our pro-
posals, which for half the cost
could provide 240 flats."

Although the council esti-
mated £11.8m for the project, that
was at January, 1980, prices,
he said. By the time work be-



Occupiers manning the balconies of the flats in Charing Cross Road, London.

gins, and taking into account
inflation, the association
thought £15m to £20m a more
realistic figure.

He called on anyone opposed
to the proposals to come to
occupy the rest of the flats in
the block to draw attention to
the council's "irresponsibility".

"This council has one of the
longest housing waiting lists,
with over 16,000 people on it,
and yet this scheme has been
put forward, which will mean

no more money for any housing
association in the borough."

A Westminster City Council
official arrived at the block
after the occupation began yester-
day and told the association
members that they were there
illegally. "You are here with-
out permission. You are squat-
ting, and I will take legal action
to seek a repossession order",
he said.

The occupation is the second
in what has been a seven-year

fight to save the flats. The
council's original redevelopment
plans were shelved after similar
action and local pressure in
1973. But during the past six
months, tenants have been
moved out and the project
comes before a full council
meeting for approval next Mon-
day.

Mr Monahan said the site to
be redeveloped is 1.5 acres, of
which Sandringham West occu-
pies about a third.

Rerouting of
Concorde
eases fear of
Saudi snub

By John Witherow

Concorde aircraft operated
by British Airways and Singa-
pore Airlines will start a
month's supersonic trial over
Saudi Arabia tomorrow on the
London to Bahrain route.

British Airways said the
Saudi Arabian Government
stopped a three-week super-
sonic trial in April after com-
plaints from villagers about
high noise levels.

The new route, which was
adopted after Lebanon banned
supersonic flights over its ter-
ritory earlier this year, will be
further north to avoid
populated areas.

British Airways said the
approval of the supersonic
route indicated that the can-
cellation of the earlier trial
was unconnected with the
screening of the television
film, "Death of a Princess".

A permanent supersonic
route over Saudi Arabia would
save the Concorde 30 minutes
flying time between London
and Bahrain and enable the
aircraft to increase its useful
payload.

Swim cancelled: Bitter Saudi
Arabian reaction to the screen-
ing of "Death of a Princess" is
believed to have prompted the
cancellation of an international
swimming race across the Eng-
lish Channel from Dover to
Calais, planned for this sum-
mer (Our Dover Correspondent
writes).

For several years the swim
has been financed by Saudi
Arabia, and this year's event
would have been the biggest

Missing boy
is found
strangledFrom Our Correspondent
Wolverhampton

The body of Graham Timmins,
aged 10, was found yesterday
in a cemetery at Wednesbury,
West Midlands. He had been
strangled by his zip-up woolen
cardigan.

Det Supt Gerald Martin, head
of the Sandwell CID, said that
there were signs of a struggle
among the gravestones. He
expected that inquiries would be
successful "in the not too dis-
tant future".

The boy, of Barlow Road,
Wednesbury, the second of four
brothers, had failed to return
home for lunch on Sunday. His
mother had reported him mis-
sing on Sunday night.

He was last seen at 9.30 pm
playing near a canal.

-making scientist
t blinded in blast

bomb which
a young scien-
end made from
! sugar blew up
! face he was
ded and lost all
year. Mr Fitch continued. A
number of spectators had
gathered for the explosion.

When the bomb failed to go
off, Mr Lloyd, a technical
researcher, went to see what
had happened. "There was an
explosion and Lewin found
Lloyd lying on his face covered
in blood. He thought his friend
was dead", counsel added.

Mr Lloyd, of Gaysham
Avenue, Gants Hill, London,
suffered a fractured skull. He
still only has 15 per cent vision
and has lost all sense of taste,
the court was told.

Immediately after the explo-
sion, Mr Lewin, of Priory Park,
Harold Hill, London, was said
to have said the police: "Oh
God, I have just killed my mate.
We make bombs. We have done
it before and this was the big
one. We make bombs just for
kicks".

Fitch, for the
id: "Lloyd had
background and
er of the two.
ter and he manu-
very substantial
the explosives".

patient
th glass
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as said to have
at a nurse and
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ruled by judge
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ridings Ltd, part
shire-based Lin
ed their factory
Mid Glamorgan,
during the
dispute with the

Amalgamated Union of En-
gineering workers. More than
300 workers lost their jobs,
most of them being members of
the AUEW.

There were picket line
clashes, ending in an incident
in October in which former
workers tried to prevent goods
and equipment being loaded on
to lorries.

The management claimed that
damage had amounted to
£25,000 and that the police had
not done enough to protect the
factory.

Judge rewards
boys who
pursued raiders

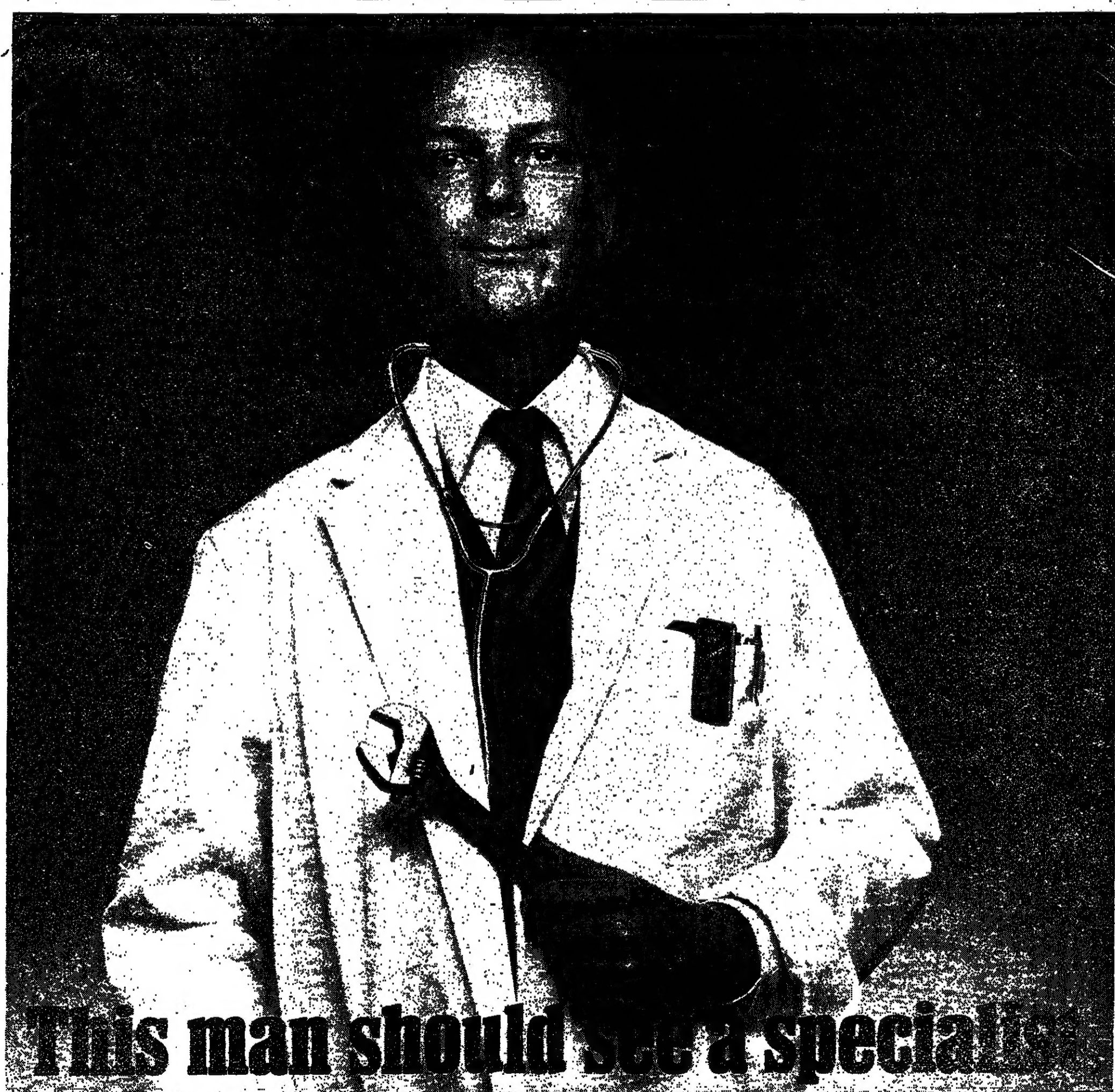
Judge Gosney praised and
rewarded three schoolboys at
Bradford County Court yester-
day for pursuing on their
bicycles two men who had held
up a sweet shop proprietor at
gunpoint.

He ordered that £15 be paid
from public funds, each to
Richard Barnesley, aged 13, and
Geoffrey Eley, aged 15, both of
Aberford Road, and Michael
Hergreaves, aged 13, of Walker
Drive, all Bradford, "in appre-
ciation of their assistance".

The court was told that the
sweet shop proprietor routed
the raiders by producing a
carving knife and they ran past
the boys, who were playing near
by.

The boys told the police
where the men had gone,
mounted their bicycles to join
the search, and identified the
men.

Ian Taylor, aged 31, and
Ronald Allen, aged 28, both of
Oakroyd Villas, Bradford,
pleaded guilty to attempted
robbery and were each jailed
for 30 months.



This man should see a specialist

Heaven knows, a doctor's job is demanding enough
without the need for him to cope with the sort of emergency
that could divert him from the care of his patients.

He needs a totally dependable working environment with
a minimum of fuss or unnecessary distraction.

Which is where our Mechanical, Electrical and Process
Division can play a vital part.

Environmental services now play a major role in all types of
commercial, industrial and medical developments, and we
consider that the development of systems employing the most
advanced equipment is of prime importance.

We offer an integrated service, specialising in the systems
that improve people's lives daily. Air conditioning, central
heating and lighting for example and, on the industrial and
commercial front, micro processor control systems, computer
services and other allied schemes.

Our top priority is making the best possible use of every
resource, from the space a building occupies to the energy it uses.

We can tackle a project from scratch or we can refurbish
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HOME NEWS

Applications from overseas for postgraduate courses are stable despite fees increase

By Diana Ceddles
Education Correspondent

Applications from overseas students for postgraduate courses at British universities this autumn have remained remarkably stable, despite the big increase in fees and the pronouncements of gloom and doom from vice-chancellors.

Overseas students on postgraduate courses account for a third of all postgraduate and research students, and for half the total of overseas students at British universities.

It is as important for universities to maintain overseas postgraduate numbers as it is to maintain overseas undergraduate numbers. Many are not to suffer a serious reduction in income.

Sir Alec Merrison, chairman of the Committee of Vice-Chancellors and Principals, said in evidence last February to the Commons Select Committee on Education that the Government's new policy on overseas students could put a number of universities "at risk".

Lord Annan, Vice-Chancellor of London University, spoke last December of London's "disastrous plight" and gave a warning that three of the university's schools "will almost certainly have to close in two or three years" unless special help was forthcoming from the Government, and that a further two would be "seriously at risk".

Many universities predicted a drop by half or more in their intake of overseas students because of tuition fees being increased to a minimum of £2,000 for an arts course and £3,000 for a science course, compared

with the current overseas student fees of £950 for an undergraduate and £1,250 for a postgraduate.

The Universities Central Council on Admissions has produced statistics showing that by April 1 overseas students' applications for undergraduate courses were 12 per cent down on last year (when there were four overseas applications for every place offered), but there are no centrally collected figures for postgraduates.

However, a spot check by *The Times* has disclosed that postgraduate applications to most universities, including those with a very high proportion of overseas students, are running about the same level as last year. Every university asked hastened to point out that an application was not the same as a firm acceptance, however.

The prestige names of Oxford and Cambridge and the London School of Economics might have been expected to continue to attract large numbers of high-quality overseas postgraduate students, and they have.

Indeed, the LSE, a third of whose students are from overseas, has announced that it will actually increase its intake this autumn.

But there were fears for places of lesser fame like Manchester University Institute of Science and Technology, 30 per cent of whose income is dependent on overseas students and 57 per cent of whose postgraduates are from overseas.

While UMIST's overseas undergraduate applications have fallen by 11 per cent, its overseas postgraduate applications show no decrease, yet UMIST is one of the few universities

that have decided to increase their fees above the minima recommended by the Government, in its case to £2,500 for an arts course and £3,500 for a science course.

The London Graduate School of Business Studies, a third of whose students are from overseas, reports that its applications from overseas show a slight increase. It is charging £2,500 for an arts course.

City University, a quarter of whose income is dependent on overseas students, also reports a small increase in applications for postgraduate courses, though its undergraduate applications are slightly down.

Essex University, where again overseas students constitute a quarter of the total student body, reports an astonishing 32 per cent increase in overseas applications for undergraduate courses (it has put on two new courses), but a drop in its overseas postgraduate applications.

At London University the London School of Hygiene and Tropical Medicine (69 per cent overseas students) and the School of African and Oriental Studies (24 per cent overseas students), two of the three institutions which Lord Annan predicted might have to close, both report no significant change.

However, the Royal Postgraduate Medical School, the third of Lord Annan's gravely threatened institutions, is seriously worried. University College London, 40 per cent of whose postgraduates are from overseas, also reports a big drop in overseas postgraduate applications. But at the all-postgraduate London Institute of Education (28 per cent overseas students) overseas applications are up slightly.

Dunkirk pilgrimage ends in an uncomfortable crossing in a force three wind

'Little ships' return barely showing their age

From John Chartres
Ramsgate

Thirty of the Dunkirk "little ships" made the return crossing to Ramsgate or to their home ports yesterday after adding much lustre to the emotionally charged fortieth anniversary pilgrimage to the scene of the BEF's evacuation in 1940.

It was a "lumpy" crossing in a force three to four south-westerly, which made conditions uncomfortable sometimes for the small boats.

It also provided a severe test of the maintenance and loving care lavished on the oldest, like *Alabama*, built in 1895, Lady Frances 75 next birthday, and Count Dracula, the former Admiral's pinnace from the German battleship *Hindenburg*.

She went down with the *Hindenburg* when she was scuttled at Scapa Flow, but was later raised and converted into a pleasure craft. Her owner, Lieutenant-Commander Brian Hill, Royal Navy, had the coldest crossing in his totally exposed steering position.

There was only one anxious period. Mr Russell Skinner, of Bexhill, a retired rubber planter who is in his seventies, was taken ill while trying to repair an engine in his 30-foot cruiser, *Latona*, which was wallowing heavily in mid-Channel.

A surgeon officer from HMS *Diomedé*, the Leander-class frigate which escorted the fleet, was taken across in her high speed inflatable launch, and Mr Skinner was taken aboard the warship for treatment.

Although it was first planned to land him at Dover, he recovered and returned to his vessel, which had been taken in tow by an Arun-class lifeboat from the RNLI reserve fleet, which also formed part of the escort.

His crew later restarted *Latona's* engine and she reached port proudly under her own power only half an hour behind the main fleet.

Mr Percy Beaumont, Commodore of the Dunkirk Little Ships Club, was justifiably

proud of his skippers and crews for their seamanship and station-keeping in four lines during the seven-hour, 48-mile crossing. Captain Anthony Dunn, of the *Diomedé*, complimented them over the radio on a "quite outstanding performance".

As the fleet entered Ramsgate harbour, *Diomedé* "manoeuvred" and fired Verey's in a light salute. The little vessels responded with the traditional dipping of red ensigns to the white. "A scene to remember," Mr Beaumont said aboard his 45-year-old cruiser, *Lorsau*.

The Thames spitsail barge *Ena* was distinctive in the fleet. She was sailed on to the beach at Dunkirk with a cargo of urgently needed water and ammunition and abandoned, according to plan, by her crew.

Several days later she was found crewless on her own side of the Channel near the Goodwins. For many years it was sur-

mised that she had lifted off the beach on a long tide and sailed herself home; but her present owners, a firm of mailsters and cattle food merchants, are trying to follow up information that a party of seven artillery men sailed her back and reported for duty without explaining in detail how they had crossed the Channel.

The essential inter-service nature of the Dunkirk pilgrimage was maintained yesterday by the presence at the head of the fleet of an RAF high-speed launch which acted as pathfinder under the radio call sign "guide". It was the third crossing by the owners of little ships which served at Dunkirk, and the biggest attendance of 126 vessels.

On the other side of the Channel the 3,000 Dunkirk veterans who arrived at the weekend, many with wives and families, held a march-past and memorial services in the town of La Panne, just over the border in Belgium.



Wrens' salute: A gun crew of women yesterday fired a 21-gun royal salute to mark the twenty-seventh anniversary of the Queen's coronation. Six Wrens lined up on Monkey Island, at Portland Royal Navy base, Dorset.

'Acute' beds reduction is opposed

By Our Health Services
Correspondent

The reduction in teaching hospital acute beds in London from 12,000 to 10,000, suggested in February by the London Health Planning Consortium, was attacked yesterday by the National Union of Public Employees (Nupe).

The union criticized the consortium's conclusion that London should be allowed fewer beds because its population was falling. The consortium wanted London to have the same ratio of beds to the population as elsewhere in the country, but provision elsewhere was inadequate, it said.

"There is no reason other than cuts in expenditure for London to be levelled down to the inadequate provision elsewhere," Nupe said.

"The consortium do not take any account of the needs of migrant workers and visitors to the capital; nor have they examined some of the reversals to population departure from London in the past few years, like the docklands redevelopment project."

"The lack of housing finance is likely to halt the flow out of London, and redevelopment and other factors likely to raise transport costs already having an impact of reversing that flow."

Nupe also presented its response to the Flowers committee report on medical education, which proposed that London's 12 medical schools be regrouped to produce a total of six. That report was based on figures gathered by the London Health Planning Consortium and which Nupe had rejected.

The union, which represents 150,000 health workers, however, accepted some of the Flowers committee proposals. It did not oppose the report's suggested closure of the Westminster Hospital Medical School, "if it could be demonstrated that better facilities exist elsewhere". But it said that it would be fighting to see the Westminster Hospital maintained as a district general hospital.

Stars come out to get Ulster's T franchise

From Christopher Thom
Belfast

As press conferences were different. A diversion of famous members of comedy, acting, writing and music professions were assembled in the hotel, which will do the centre of Belfast.

29 bombs; they were claiming the right to reclaim television in Ulster. If nothing else, the ga was proof of the artistic of the province. James (quite obviously the star), lamented that he appeared in only one programme produced, native Ulster, and the was quite the most production.

That was, he argued, a supportive illustration of the TV's role in the province. To the Northern Independent Television Centre of which he and the assembled persons are

bers. On the whole, Mr. farred well amid the enthusiasm of the stars giving a sincere of their desire to improve viewing and to en Ulster talent to stay in it was not a joke. Frank Carson, whose der to be funny led to a flat joke about how a visionals would be call the consortium did not franchise; but he was i able to do a one-liner, least perturbed by the rassed titters.

Mary Peters, almost her profferings, spoke young of sport, and of broadcasting units, at charming.

Philip Coulter described self as an exile with a responsibility to his ho his country. "The talent exists in Northern Ireland not been shown in a light."

And in one memorable he declared: "We're bellyful of the kitchen element of light tainment."

Needless to say, the towards UTV was freely, though the cor chief was not willing to size that all opinions regional, and that the Ireland Independent Television Consortium was not blood.

The franchise applic the Independent Broad Authority succinctly, a the desire for a more upheaval and division.

"The two communities are divided in politics, religious allegia cultural upbringing."

That revelation ov inch-thick document a the minutiae of detail, and philosophical, convinced it that UTV lose its franchise. M the UTV men in the Lexington suite se be enjoying themselves.

But Mr Derek Bailei erly associated with t ransport, a consortium, chief designate, had his a ready: "We can ma programmes because of us within this group no longer a mystique vision. We know w medium is powerful. If the franchise that drs shamefully overlooked it."

In brief

Priest murder charge remand

Henry John Gallagher, aged 29, was remanded in custody by magistrates at Ramsgate, Kent, yesterday until June 30 accused of murdering a priest and his housekeeper.

He was charged with murdering Father Edward Hull at Ramsgate on May 23 and murdering Ethel Maude Lelan between May 22 and May 27.

Girl's death inquiry

A factories inspector was investigating the death of Amanda Thomas, aged 11, of Albany Close, Bishop's Waltham, Hampshire. She was killed when a heavy bucket fell on her from a job digger at a plant hire site near Upham on Sunday night.

Tube fares may rise

London Underground fares are expected to go up for the second time in 12 months after acceptance of a 20 per cent pay offer by the National Union of Railwaymen. The other unions are also expected to accept.

Airport plan opposed

Agricultural land would be blighted if plans for a second terminal at Gatwick airport were approved, the National Farmers Union told the airport inquiry at Crawley, West Sussex, yesterday.

Move on rail vandals

Chief Inspector Michael Griffin, regional head of British Railways Police and the vandal squad, who is leading an investigation into derailment attempts on the Nottinghamshire-Derbyshire border, is to increase patrols.

Transport strike

Glasgow was without city bus and underground railway services yesterday when more than 300 inspectors staged a 24-hour strike over a pay claim. They had rejected an offer of nearly 16 per cent.

'Street' party

Granada Television held a party at Prestbury, near Manchester, last night, to celebrate the 2,000th episode of *Coronation Street*.

Wildfowl treat

Children under 16 who are accompanied by an adult are being admitted free to the Wildfowl Trust's headquarters at Slimbridge, Gloucestershire, until next Sunday, to see the ducks, cygnets and goslings.

Girl shot in eye

Doctors were attempting yesterday to save the sight of Angela Martin, aged 12, of Corby, Northamptonshire, who was struck in the eye by an air pellet in a wood near her home.

Anti-nuclear rally

The Labour Party is to organize an anti-nuclear armistice rally in London on Sunday, June 22, the largest since the 1960s, it announced last night.

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Day centres helping to ease crowded jails

By Peter Evans
Home Affairs Correspondent

Petty offenders who might have gone to prison are being kept out of trouble instead in more than 60 day centres, opening at the rate of about one a month.

The centres, a new development at local level, were recommended yesterday in a Howard League for Penal Reform report as helping to tackle the scandal of overcrowded prisons.

Miss Elizabeth Burney, in a survey of the centres, found that some of them dealt successfully with offenders with as few as 11 or 12 convictions. At least one fourth of the four-fifths of its intake had been to prison on average four times, and would presumably have returned there if the centre had not existed.

Mr Martin Wright, the league's director, said yesterday that about a third of the adult male population of prisons, about 10,000, could be dealt with outside if suitable places existed.

Offenders are routed to the centres through courts in conjunction with a probation order, or are encouraged to attend by probation officers or social workers. However, not all attending them are offenders.

Church change to ease work of archbishop

A move has been made to ease the workload of the Archbishop of Canterbury, the Most Rev Robert Runcie, with the appointment of the Suffragan Bishop of Maidstone, the Right Rev Richard Third, as Suffragan Bishop of Dover.

The present Bishop of Dover, the Right Rev Anthony Tremlett, retires at the end of July. A statement from Lambeth Palace said: "The appointment of the Right Rev Richard Third to the bishopric of Dover is one of the steps designed to ease the workload of the Archbishop of Canterbury, and at the same time to ensure the effective episcopal care of the diocese."

With great pertinacity, he has persuaded Sir Ian Bancroft, head of the Home Civil Service, and his fellow permanent secretaries that something must be done in the wake of persistent criticism of the Government's use of accountants from the Fulton committee in 1968, Sir Ronald Melville and Sir Anthony Burney in a special report in 1973, and the Commons Expenditure Committee in 1977.

The last hurdle his reform plan has to clear is opposition from the Civil Service unions, particularly the Institution of Civil Servants (IPCS) which represents the 400 officials in Whitehall's separate professional accountants' class which Mr Sharp wants to abolish. In face of union resistance, Mr Sharp is taking the fight to the rank and file throughout the country. Chatham will be the twelfth of 30 meetings to be addressed by Mr Sharp and his assistant,

They form part of the shifting, rootless, rootless population of the sad and sometimes semi-mad who may sleep in hostels at night but have nowhere to go by day. They are thus troublesome, moved on by the police or staffs of public libraries, where some can be seen in shabby raincoats slumped in chairs. Others turn to drink as an escape.

Some are quite glad to go to prison for food, drink and shelter, particularly during the winter. The day centres vary their approach to suit local needs. Because attendance there means no earlier supervision, probation officers can offer it to people who might otherwise have to go "inside".

Some centres offer courses in craft skills, or teach people to read and write. These days it is harder for the unskilled to find work, but tuition gives them a fairer chance to compete for available jobs.

The centres also offer people somewhere to belong. "A pub without alcohol" was one of the descriptions given to a centre yesterday. And once contact is made, drunks and the sick can be helped to get treatment.

A Chance to Change (Howard League for Penal Reform, £1.30).

Trench digger uncovers 225 old coins

An excavator driver unearthed a pot of silver yesterday when he discovered old coins worth thousands of pounds on a building site at Taunton, Somerset.

Mr Graham Sully, aged 19, of Sycamore Road, Taunton, was digging a trench when his digger bucket knocked the bottom of an old earthenware pot and 225 silver coins dating back more than 400 years cascaded out.

The find included Elizabeth I, James I and Charles I shillings and half crowns, believed to be worth at least £5,000. Roman find: A large haul of Roman treasure has been found near Thetford, Norfolk.

Arsonist told PC of his intention

From Our Correspondent
Colwyn Bay

David Davies, aged 22, a Welshman, who set fire to a holiday cottage in Snowdonia, had announced his intention to the village constable, as alleged at Llanrwst Crown Court, Gwynedd, yesterday.

Mr Huw Daniel, for the prosecution, said: "He told him he was going to burn down a second home because he did not like the English. The police officer, perhaps understandably, considered Davies was drunk, and told him to go home."

Mr Davies, a native of Snowdonia, who had been working as a watch repairer at Bridgewater, Somerset, was sent to prison for three years after admitting arson.

Mr Daniel said Mr Davies arrived at his sister's home at Beddgelert for Easter and had gone into the local public house. He mentioned to a companion that he was going to burn down a holiday home, but the friend thought Mr Davies was drunk and joking. On the bridge in the village street Mr Davies had told the constable of his intention.

Mr Daniel said Mr Davies smashed a window to enter an unoccupied holiday cottage belonging to a retired Wolverhampton pacifist. He methodically started five separate fires, returning to the cottage to relight one of them. The damage was put at £2,250.

Mr Meirion Lewis-Jones, for the defence, said Mr Davies bore no hostility to anyone but had been carried away by foolish bravado after drinking.

Three sisters escape as tenement collapses

Three sisters plunged 50ft when a tenement building collapsed under them in Glasgow early yesterday, but they escaped serious injury.

Lorna and Linda McGhee, twins aged 12, and their sister Kathleen, aged nine, were asleep on the top floor of the four-storey block in Greenhouse Street, Bridgeton, when the building crumbled.

Linda and Kathleen McGhee fell straight into the Bowler's public house on the ground floor, and were found under rubble and flagstones. The third girl was discovered hanging on to the remains of a floor. Last night the sisters in the Royal Infirmary were fairly comfortable.

Police said seven families were evacuated. It was not known whether the collapse was caused by an explosion or a structural fault.

Mrs Grace Shah, who lives opposite the collapsed building said two policemen went into the tenement to rescue the girls.

At first it sounded like a car crash. When we came down stairs we heard faint cries coming from the building. Two policemen were passing at the time and they ran up the stairs to help the girls."

Mr Thomas Hawthorn, a resident in the tenement, said architects had visited the building. He understood renovation work was to have been done soon.

"I was asleep at the time, and then just heard a rumbling noise. The next thing was a wee lad from upstairs knocking on my door, felt sorry for the girls who fell right into the pub."

Man in court today on Essex murder charge

Ian James Sherlock, aged 33, is to appear at Harlow Magistrates' Court, Essex, today, charged with murdering Mrs May Chambers, aged 61, his mother-in-law, Essex police said yesterday.

Mr Sherlock, of Harrowdene, Bradville, Milton Keynes, Buckinghamshire, was detained in a seafront cafe at Eastbourne, yesterday.

Mrs Chambers, a retired teacher, was found dead at her home in Old Harlow, Essex, on Friday.

Mobile radio proves worthwhile

London-based BBC mandarins may be moved to reassess their attitude towards community radio when they study the success of a low-budget experiment conducted in Wales.

For the past four years from Merthyr Tydfil in the south to Deeside in the north, local communities have been given the opportunity of giving information, seeking advice or simply dedicating record requests.

Operating from a radio van, a BBC team has spent three days in selected neighbourhoods. It is clear from the many telephone calls and letters that the response was overwhelmingly favourable.

However, Radio Deeside, which operates from a portable building parked outside the leisure centre at Queensferry, will go off the air in three weeks. There are no plans to continue the service.

Radio Deeside differed from the other neighbourhood experiments in that it was put into the area for two months specifically to help the community overcome the traumatic effects of the Shotton steel-works closure.

Since it started broadcasting it has helped to cushion the

Fears of typhoid outbreak are discounted

From Our Correspondent
Lanark

The boy aged three in Lanarkshire who it was thought might have typhoid does not have the disease, and Dr Neema Stewart, community medicine specialist for the Lanarkshire Health Board, said yesterday that earlier reports that the disease could spread should be discounted.

The boy's uncle, aged 19, is in isolation at Monklands general hospital, Airdrie, after contracting the disease. His condition yesterday was "very satisfactory". They had both recently returned from a holiday in Pakistan.

Dr Stewart said that there was no danger, and that the family had undergone tests.

Regional report

Tim Jones

Cardiff

community from some of the psychological shocks which inevitably accompany a big job loss. Its life was ended five weeks ago, but promises of grants totalling more than £8,000 from Clwyd County Council and a community council, gave it an additional two months on the air.

In addition to money, the BBC in Cardiff received a petition containing more than 1,200 signatures asking for the station to be maintained. Their requests, however, are unlikely to be heeded for the community stations were created as a means to an end, and in any case they seem at odds with the present thinking of Mr Aubrey Singer, managing director of BBC Radio in London.

Mr Singer maintains that small community broadcasting tends to subvert the licence fee even more, and erodes the BBC's editorial position. He con-

cedes the experiments state the viability of the idea, but maintains it is not the type of org to control it. It is just time broadcasting," M maintains.

In spite of his rese Mr Singer has received commissioned from wi corporation suggesting use of mobile vans base success of the Welsh ment could be employ ter serve the smaller c ties of London.

The main object of munity stations was to the new Radio Wales which was launched realization that the offering had been too a threat to existing to attract a faithful The mobile stations primarily in "pockets (ance" and seem to be remarkably successful.

Mr Goraint Stanley head of programmes Wales, sold the co radio concept after st similar scheme which in the Irish Republic. "like everyone here in have a go at it. It is to recharge their creati series

The yachting insurme been identified from graphs and serial numb from Iceland.

Captain McMullen de carry on with the race after his wife died whil ing on the yacht. Confi that the wreckage can the 46ft trimaran can day, before the start year's race from Plymo

In this year's race, tors are required to c automatic satellite n equipment, ARGOS, so vessels in difficulty can printed immediately.

This supports the theory that McMullen was intending to take the far northerly course and possibly pass Newfoundland

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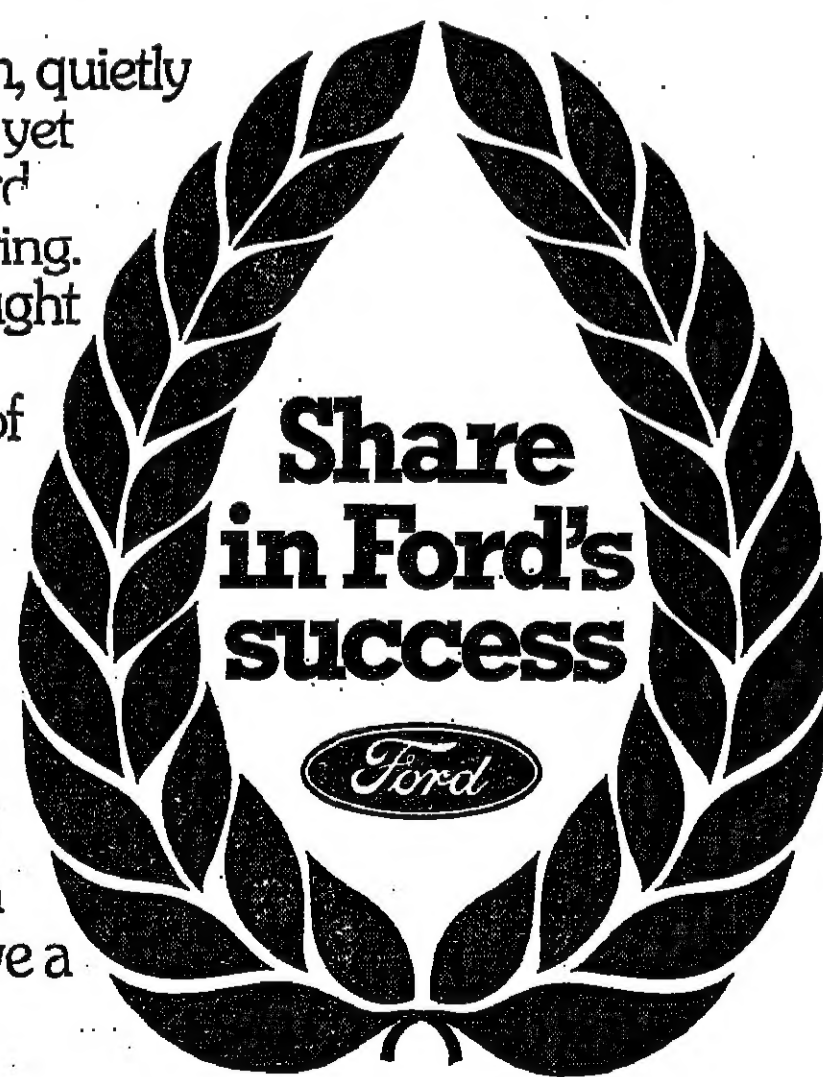
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FORD GRANADA



PARLIAMENT, June 2, 1980

Britain to get £1,570m rebate from EEC over two years: ministers pledged to review budget operation

House of Lords

After a meeting of the Cabinet today, the Government has informed the Italian President of the EEC Council of Ministers that it accepted the proposals that emerged from the EEC Foreign Affairs Council and the Agricultural Council meetings in Brussels last week. Lord Carrington, Secretary of State for Foreign and Commonwealth Affairs, said in a statement.

Both Council meetings were the culmination of long and complex negotiations which, he said, the Government began shortly after taking office last year on the size of the United Kingdom's contribution to the Community budget.

Both Council meetings last week reached provisional agreement on a number of points. The formula for the United Kingdom's contribution to the Community budget, which will be applied from 1982, was agreed.

Lord Carrington went on: At the Foreign Affairs Council on May 28, the following arrangements were proposed to alleviate the United Kingdom's budget problem.

The first element in the solution is the following formula: for 1980, provided our net contribution, before the formula is applied, does not exceed £1,570m, the ceiling will be £440m. All these figures are converted at a rate of 1.65 units of account to the pound.

This would result in a total rebate to Britain over the two-year period of £1,570m.

A further element of the solution is a risk-sharing formula. Should the amounts of the United Kingdom's contribution to the Community budget in 1980 and 1981, as estimated by the EEC Commission in its annual report, be exceeded, the arrangements for 1980 and 1981 would be reduced by one-quarter of the cost of this excess.

For 1981, a more complex formula would be applied. It would meet the first £12m of any excess, the next £60m would be shared between us and our partners, and the remainder would be met only a quarter of the excess cost, as in 1980.

For 1982, it was envisaged that by this time the Community would have completed a radical review of the pattern of Community expenditure and the operation of the budget.

However, if that had not by 1982 produced arrangements resolving the United Kingdom's budget problem, the Commission would put forward proposals along the lines

of the 1980 and 1981 solutions and the Council would act accordingly. We can therefore be sure that for 1982 as well there will be similar restrictions on the level of the United Kingdom's net contribution.

The payment of these amounts to Britain will be brought about by improvements in the operation of the 1975 financial mechanism, more or less in line with our share of Community GNP, and for the rest through Community expenditure in the United Kingdom under Article 235 of the Treaty to provide for this expenditure.

Following the precedent of the financial mechanism, the credits under the new regulation will appear in the Community budget for 1980, which will be paid by the United Kingdom.

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together than were on offer then: and we have also secured an arrangement for the third year, 1982, which was refused to us the year before.

Furthermore, the Community has recognised that there will have to be a major review of the operation of the budget and the balance of Community expenditure and that the United Kingdom's budget problem must be resolved finally.

As the Prime Minister made clear at Luxembourg, we also refused what was offered then because we were being asked to accept agreements outside the budget which were damaging to us.

Since then, as Mr Peter Walker, Minister of Agriculture, Fisheries and Food, will make clear in his report on sheepmeat and CAP prices and related measures, we have secured changes in what was being suggested which give us substantial advantages.

Taking the balance of these proposals together, the Government believes that the new arrangements will be a fair and advantageous outcome.

In a negotiation as complex as this, no one party can expect to get everything it wants and to concede nothing. There should be no belittling of the concessions our partners are making or a suggestion that the United Kingdom's budget, the general economic background is unworkable.

With this arrangement Britain can play her part in developing further the internal and external policies of the Community without the sense of festering grievance which her excessive contribution to the Community budget engendered.

The negotiation has moreover focused the minds of the member states on the unsatisfactory way in which the Community budget operates, and more clearly than ever on the need for a radical change in the pattern of Community expenditure.

With the revised Commission for 1981 and 1982, we have an opportunity to bring about sensible adjustments to the operation of the CAP and to put our financial position on a sounder basis than ever before.

This Government came to office determined to make a success of our membership of the Community. The first task was to deal with the inequitable budget contribution. That we have now done, and that Europe is about more than that.

The challenges that face the Community both internally and externally are daunting, but in its relatively brief history, none of us can find adequate solutions to them on our own. This agreement gives us the chance to solve them together.

There was no commitment of fisheries, or any mention of energy in the statement at all.

This was a better deal than was offered at Luxembourg. It says much for the Prime Minister that he has enabled us to get this better deal. It is better because, overall, we get more back, together with a commitment to look at the structure of the budget.

Let us all explain the advantages of the EEC and not underestimate the political advantages of the EEC and not underestimate the political advantages of the EEC and not underestimate the political advantages of the EEC.

Lord George-Brown (Ind)—This must be the third renegotiation on behalf of the then government on terms which the then government would not have accepted. It is a renegotiation on the Opposition benches, thought were acceptable.

This third renegotiation has produced terms not only far better for us than the terms on which we entered the Community, but far better than either of the two previous renegotiations conducted by the present Opposition.

May I say on behalf of my then colleagues in the Labour Party how much we value the Prime Minister and Lord Carrington on what they have achieved.

Creating Europe was never about the CAP; it was never about the economic and political advantages of a common market, creating a Europe with a common national and defence policy, creating Europe with a common economic policy.

There has never been a time when the world has stood so much in need of a political entity in Europe and a lead from Europe, which has been given to us by the United States, and which at the moment is allowing all the running to be made by the Soviets.

Lord Carrington—Renegotiation is a word which the Communists do not like. (Laughter) This was a fairly satisfactory renegotiation.

I agree with what Lord George-Brown said about the political entity in Europe. Now that we have got the momentum, let us all lift our spirits a little bit higher.

It was always the unions that were blamed, particularly by the mass media. The Bill could only increase bitterness and class division, it would not improve industrial relations. It was an act of vicious spite.

Lady Young said the Bill was part of the Government's budget strategy. If Britain was richer and more prosperous, the Bill would be able to help themselves.

House of Commons

Sir Ian Gilmour, Lord Privy Seal (Chesham and Amersham, C), repeated Lord Carrington's statement in the Commons.

Mr Peter Shore, chief Opposition spokesman on foreign and Commonwealth affairs (Tower Hamlets, Stoney and Poplar, Lab), questioned the statement.

He said the fact that we have been permitted for 1980 and 1981 and perhaps for 1982 to keep back more of our own money or that to become only the second largest net contributor to the EEC.

It is so insensitive that he cannot understand that a settlement which further increases the price of butter, milk, sugar, meat and cereals for every family in the land, which will limit the export of New Zealand lamb to 7.3 per cent a year, which will increase the price of lamb exports, which will increase the price of lamb exports, which will increase the price of lamb exports.

Under the Labour Government every fortnight (Lord Carrington's statement) the Government would be the same as the increase that took place in food prices under the Labour Government every fortnight.

He also mentioned some particular commodities. Under Labour the price of milk rose on average 7.3 per cent a year, the price of lamb rose by 1.25 per cent a year, the price of lamb rose by 1.25 per cent a year, the price of lamb rose by 1.25 per cent a year.

In the circumstances he would have been well advised to emulate the generosity of the Leader of the Opposition's comment when Mrs Thatcher came back from Luxembourg.

The Opposition achieved nothing to reduce our budget contribution during the five years it was in power. Mr Peter Shore has the effrontery to tell us that we should turn down a refund of £710m this year, which would be a refund of £710m this year, which would be a refund of £710m this year.

When will the Prime Minister cease playing Lady Bountiful to the Opposition? (Laughter) The Government justifies the abandonment of its demand for a solution that would last as long as the present one, which is a solution that would last as long as the present one, which is a solution that would last as long as the present one.

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Conservative Party election manifesto, the same effect—or by backing up a negotiating stance with legislation to halt the outflow of British money, she could have achieved what the House has achieved.

Mr Peter Shore, chief Opposition spokesman on foreign and Commonwealth affairs (Tower Hamlets, Stoney and Poplar, Lab), questioned the statement.

He said the fact that we have been permitted for 1980 and 1981 and perhaps for 1982 to keep back more of our own money or that to become only the second largest net contributor to the EEC.

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he said: "I repeat very strongly that we shall support her in not giving way on the agricultural price freeze until the budgetary issue is settled."

Mr James Callaghan, Leader of the Opposition (Cardiff, South-East), said: "The Prime Minister has totally misconstrued the meaning of those words. (Conservative interruptions.)"

Sir Ian Gilmour—I find that sentence virtually impossible to construe in any other way. I will be interested to hear an alternative construction of what Mr Callaghan said. (Conservative cheers.)

The House will congratulate the Government on the successful outcome of these negotiations which have been conducted with skill and precision.

May I suggest, and ask the Lord Privy Seal if he will confirm, that the truly wet formula was the one which the Government adopted at the time of the 1975 agreement, which was the one which the Government adopted at the time of the 1975 agreement.

May I also express appreciation that not what the question of the price of lamb, but the question of the price of lamb, but the question of the price of lamb, but the question of the price of lamb, but the question of the price of lamb.

Mr Edward Gardner (South Fyvie, C), the country generally, will be happy to see the success of the Prime Minister's (Mrs Margaret Thatcher) and Foreign Secretary (Lord Carrington) negotiations.

Mr John Birt, Chief Secretary to the Treasury (Oswestry, C), said: "The Prime Minister's statement today is a very welcome one. It shows that the Government is committed to a policy of free trade and that it is committed to a policy of free trade and that it is committed to a policy of free trade."

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This agreement will be seen as yet another demonstration of the extraordinary ability of the Prime Minister to achieve the seemingly impossible.

Sir Ian Gilmour—This agreement is the culmination of negotiations carried out over a long period by the Prime Minister and Lord Carrington. They have now been successful and it is unfortunate that so many of the Opposition appear to regret the successful outcome.

Mr Russell Johnston (Inverness, L)—Much credit for this settlement goes to our Community partners—not least the German Liberals (Laughter and interruptions)—in the difficult political situation in which they face. While confrontation may take us so far, at the end of the day the success of the Community will depend on developing a spirit of co-operation.

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reasonable but unquantified assurance of a further refund in 1982 "along the lines of the 1980-1981 solution". The situation after 1982 is unclear at best and Britain could again find itself at loggerheads with the rest of the Community.

The picture is complicated by the approaching VAT limit already referred to. The best estimate in Brussels is that existing revenue resources will only be just sufficient to finance the British refunds and increases in agricultural expenditure up to the end of 1981.

It seems inevitable that the British problem, after 1981, will be subsumed in a more general financial crisis. There is a danger that some governments, such as the French, will argue that in such a situation refunds for Britain must take second place to maintaining the common agricultural policy.

British hopes are pinned on those parts of last week's agreement recognizing the need for "structural changes", which is EEC jargon for reducing the proportion (currently 70 per cent) of the budget spent on farming and to prevent "the recurrence of unacceptable situations" for any member state.

Since, under the new arrangements, Germany will bear the main cost of any increases in agricultural spending, Britain could hope to find much stronger support in Bonn for curbing the farm sector and thus to be in a less exposed and isolated position than previously.

Unfortunately, the 5 per cent farm price increase, the emasculation of new proposals aimed at curbing over-production of milk and sugar, which Britain agreed to as part of the budget settlement, will make "structural" reform more difficult.

Britain, with proportionately the largest farming population in the EEC, will always contribute more to the cost of financing the common agricultural policy than it can hope to benefit from it—hence reform of the farm sector is crucial to any lasting budget solution.

Agricultural policy, by propelling up market prices at artificially high levels, also has a financial dimension which is not reflected in each country's budget balance. This year's settlement, for example, is likely to cost British consumers some £30m outweighing the gain to British farmers.

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criticism, including demands for his resignation. But it appears that he was not fully informed about the complete terms of the Brussels settlement before German approval was given.

Herr Matthöfer said on radio today that the Government could not commit itself and then expect the Finance Minister to have to collect the sums in small amounts later.

All sides are, however, willing to find a solution. The Finance Ministry as well as the other ministries are working on possible retrenchments in their budgets. Their proposals are to be ready by Wednesday when the Cabinet has to make a decision.

French and Finnish leaders confer on détente

From Olli Kivinen, Helsinki, June 2

President Giscard d'Estaing of France arrived in Helsinki today for a two-day state visit, his first to a Nordic country. In line with the French habit of making the most of state visits, four Cabinet Ministers accompanied the President including M. Jean François-Poncet, Foreign Minister. Three other Ministers visited Finland earlier this year.

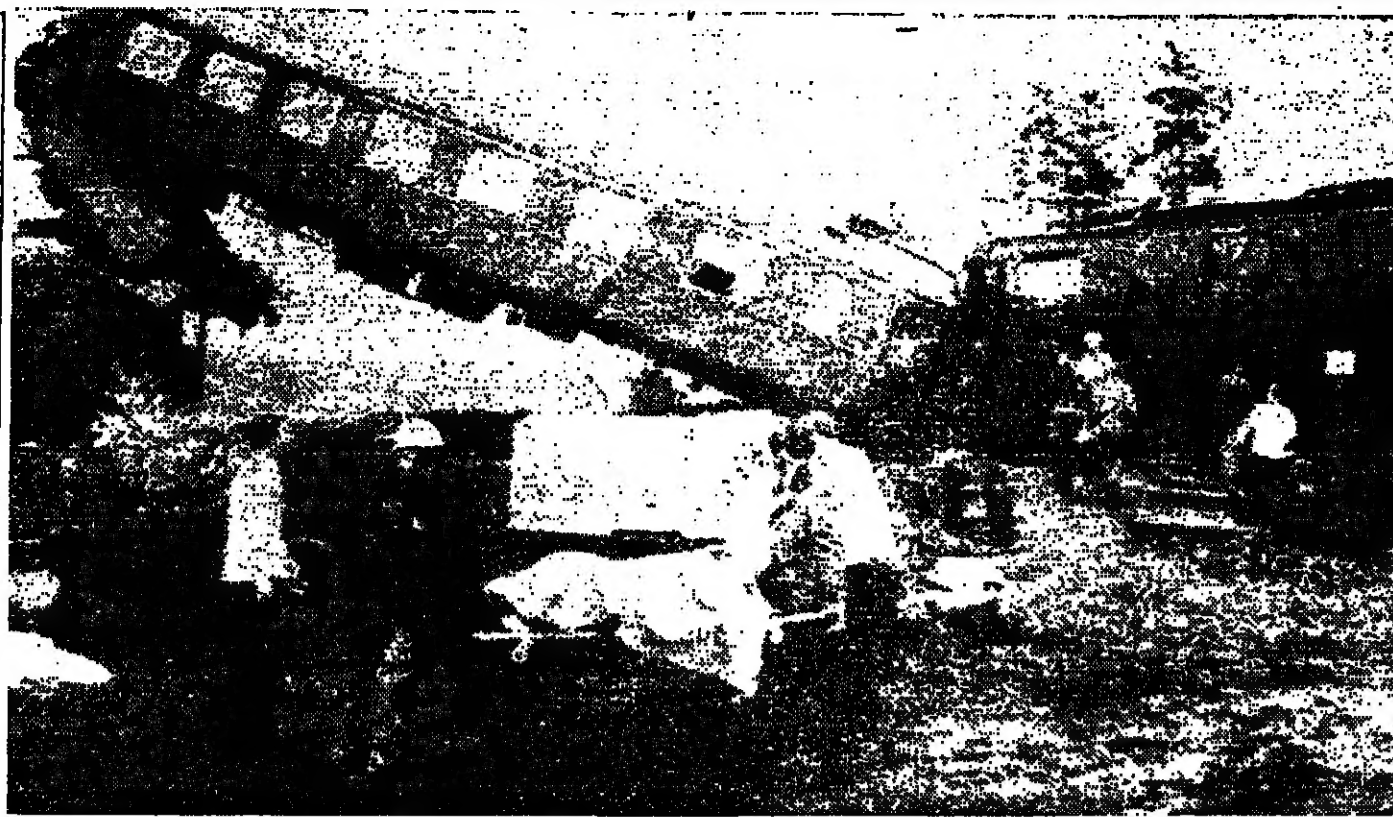
Trade, cultural relations, and especially détente head the agenda for the discussions between M. Giscard d'Estaing and his host, President Kekkonen. Both countries have been

Home rule chiefs see king

From Our Correspondent, Madrid, June 2

The presidents of the Basque and Catalan home-rule governments and the President of the Andalusian "pre-autonomous" government call on King Juan Carlos here this week for the first time in their official capacities.

Before seeing the King tonight, Señor Rafael Escudero, President of the Junta de Andalucía, said he intended to explain the problems affecting the Andalusian demand for autonomy to the King, "since Suárez (Señor Adolfo Suárez, the Prime Minister) misin-



Storm crash: At least 12 people died when a crowded overnight train crashed into the back of a stationary empty train yesterday near Ornas, central Sweden, during a thunderstorm. Heavy rain had flooded the track and knocked out electric signals.

The dead included seven small children on a school outing to a zoo. Sixty people were injured, nine critically, and police expected to find more bodies in the wreckage.

The driver of the stationary train

had stopped to telephone a signal station to see if the track was clear; the driver of the second train did not see the other in the heavy rain. Roads near the crash site (above) were sealed off and military vehicles used to assist ambulances.

Warning to WEU from Mr Mulley

From David Wood, Paris, June 2

Mr Fred Mulley, Defence Secretary from 1976 to 1979, was today unanimously elected president of the assembly of the Western European Union, the parliamentary body of signatories to the Brussels treaty.

A contest with an Italian candidate was avoided at group meetings before the Whistman sittings began.

The Whistman sittings began today with a two-day debate on the darkening international scene and West European defence. Mr Mulley commented: "We must avoid over-simple solutions, which I believe our North American friends are sometimes apt to seek."

He also reminded the assembly that he had been not only a Defence Minister but a Minister for disarmament as well.

During Mr Mulley's term as president, some parliamentarians here believe, more importance will be attached to a European armaments programme. Questions are being canvassed privately about the American commitment to provide a nuclear shield for West Europe and the part West Germany may play under the pressure of international events.

Differences between President Carter and the governments of the Nine over the Middle East, and the sense of insecurity that accompanies any American presidential election, overshadow the assembly.

Dr Christoph van der Klauw, the Netherlands Foreign Minister, dismissed any suggestion that West Europe now had to choose between American policy and détente.

The West would have to pay greater attention to the strategic changes taking place, especially in Asia. It must continue to point out to the Soviet Union that the only way out was to undo what had happened in Afghanistan and make clear that the Soviet Union's best interests lay in a return to détente.

Cossiga impeachment called for

From Peter Nichols, Rome, June 2

Formally, and with all the required references to full knowledge of the gravity of the situation, the Communist Party national executive today decided to call for the impeachment of Signor Francesco Cossiga, the Prime Minister.

With less than a week to go before voting in important regional elections, Signor Enrico Berlinguer, the Communist leader added in a newspaper interview that a government "less damaging" than that led by the unhappy Signor Cossiga should be formed, even if the Communists would have no place in it.

The Communists are intent on a trial of strength with the three-party coalition that sent

them back into opposition. The issue seems almost heaven sent; the elections would have been difficult for them if the governing Christian Democrats had not provided the opportunity for their own disfigurement.

The question that Parliament will almost certainly have to consider concerns the Prime Minister's position regarding allegations by a presumed terrorist that Signor Cossiga gave confidential information to Signor Donat-Cattin, the former deputy secretary of the Christian Democrats and the father of another suspected terrorist.

Signor Donat-Cattin, who was persuaded to resign his position on Saturday night, could have saved the Government much embarrassment if he had gone earlier.

Parliament's commission of inquiry heard the Prime Minister and Signor Donat-Cattin last week and voted by a narrow majority to close the matter. But the case can be reopened if 315 signatures are collected from members of the two Houses, which is what the Communists propose to do. If they succeed they can have the Prime Minister brought to give evidence.

The Social Democrats, who are in opposition, today repeated their call for Signor Cossiga's resignation.

The leaders of the coalition parties decided at a private meeting tonight to stand firm behind Signor Cossiga.

The Christian Democrat efforts will be directed at turning the Communist's action to their own advantage.

The Pope visits shrine of Theresa of Lisieux

From Charles Hargrove, Lisieux, June 2

After Paris, and the working class suburb of Saint Denis, the Pope ended his four-day visit today with a plunge into the depths of rural France for a pilgrimage of a few hours to the shrine of one of the most popular of all French saints, Theresa of Lisieux, for whom he has a special devotion.

The little cathedral town of 28,000, nestled in the rolling green hills of the Pays d'Auge, which is reputed to have the lushest pastures in the whole country, had never been honoured by the visit of a Pope.

Pius XI had wanted to come in 1937 to lay the first stone of the huge neo-Byzantine basilica, in the style of the Sacré Coeur of Montmartre, which is on top of one of the hills, but was prevented by ill health and gathering war clouds. So this was the greatest day in its long history, since the canonization in 1925 of Theresa Martin, who died at the age of 24 in the Carmelite convent she entered 10 years before after a life of extraordinary spiritual intensity and mysticism.

Three hundred thousand pilgrims, mainly from Normandy, but also from beyond, had invaded Lisieux for this historic occasion, and all road traffic was banned in the streets from early this morning. As the Pope's white helicopter dropped out of the sky, the 30,000 cheering, waved a multitude of white and yellow papal flags, and sang "Hallelujahs".

Thousands more lined the route from the basilica to the Carmel, where the body of St Theresa is enshrined, and where the Pope visited her cell. His brief address to the nuns was an apology of the religious and especially the contemplative life, which some Christians, he said, were inclined to regard as "an evasion from reality, an anachronistic and even useless activity". But "in a civilization increasingly mobile, noisy and talkative, areas of silence and repose become a vital necessity, and monasteries have more

than ever the vocation of becoming places of peace and inwardness."

Nuclear threat: Speaking earlier at the Unesco headquarters in Paris, the Pope appealed to scientists the world over to use their collective strength to end the threat of a nuclear holocaust. In a reasoned, but impassioned, address, he said that the time had come to mobilize their consciences, Ian Murray writes from Paris.

The tenor of his address was pessimistic. His vision of a world besieged by totalitarianism and colonialism at peril from errors of judgment and failing moral values led him apparently inevitably to fear a nuclear war and to reiterate his appeal to scientists. "Men of science, engage all your moral authority to save humanity from nuclear destruction."

Materialism, economic problems, wounded national pride, terrible misunderstandings and the decadence of moral values had brought the world to a point of instability that threatened to destroy it at any moment through "errors of judgment, information or interpretation".

Turning specifically to those scientists present, he pleaded: "Deploy all our efforts to adopt and respect, in all domains of science, the primacy of ethics. Above all, deploy our efforts to preserve the human family from the horrible perspective of nuclear war."

Marvellous scientific results, he said, had been exploited to the prejudice of mankind to a degree never before known and causing unimaginable harm.

Too often science was used in the domain of genetic manipulation and biological experiments as in chemical, bacteriological or nuclear weapons.

"I have been allowed to say to you all... from the bottom of my soul: Yes, the future of man depends on culture. Yes, the peace of the world depends on the primacy of the spirit. Yes, the peaceful future of humanity depends on love."

Invitation to Israel: Mr Menachem Begin, the Israeli Prime Minister, today invited the Pope to pay an official visit to Israel. —Reuters.

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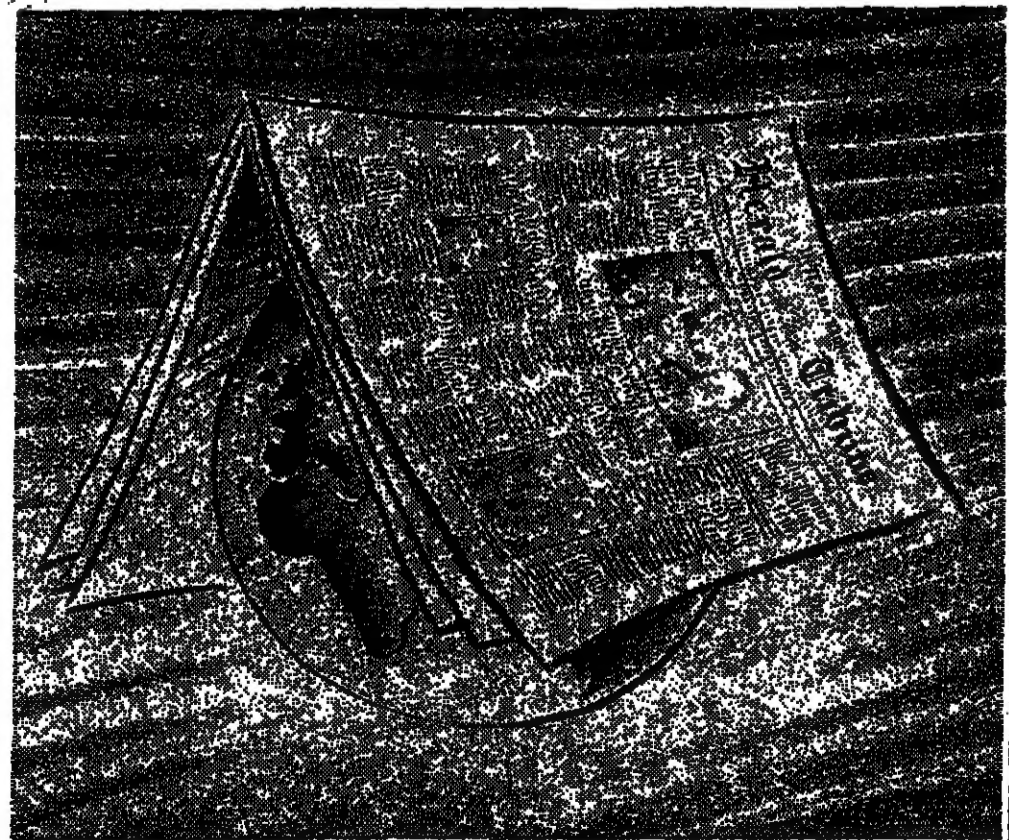
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INTERNATIONAL
Herald Tribune
Published with The New York Times and The Washington Post

sh arms smuggling inquiry

Portuguese, Romanian and Bulgarian ports and South Africa during the past four years.

The newspaper said one of the line's vessels shipped containers of machine-guns, missiles and other ammunition, worth 40m Crowns (about £3.1m) and thought to be of East European manufacture, from Bulgaria to South Africa in 1978.

A similar operation was alleged to have taken place last autumn when a shipment of weapons was shipped from Romania to Durban, South Africa. According to one South African account, as reported in Politiken, the Danish ship, with papers identifying the illicit cargo as machine spare parts, would take on fuel at Las Palmas.

Five days out of Las Palmas, the ships would allegedly lower their flags, the crew would paint over the vessel's names. The shipping company has refused to comment.

EAS

Kennedy keeps up fight as though he was in doubt

Robert Kennedy Jr. is in a campaign for the nomination of the Democratic Party for the presidential election. He is putting forward a platform of environmental protection, and is being supported by a large number of people. He is also being supported by a large number of people who are concerned about the environment. He is also being supported by a large number of people who are concerned about the environment.

Actions

Hasbrouck, New York, June 2. Robert Kennedy Jr. is in a campaign for the nomination of the Democratic Party for the presidential election. He is putting forward a platform of environmental protection, and is being supported by a large number of people. He is also being supported by a large number of people who are concerned about the environment. He is also being supported by a large number of people who are concerned about the environment.



Anger and violence at Fort Chaffee as Cuban refugees try to break out of their resettlement camp in Arkansas in protest against immigration delays.

Police fire on Cuban protesters

From Michael Leapman New York, June 2

State troopers opened fire at more than 1,000 marauding Cuban refugees at Fort Chaffee, Arkansas, last night. The rioters are among 18,000 Cubans sent to the army camp for processing before being allowed

formally into the United States. They were protesting about long delays in the immigration procedure. Five of the Cubans were hit by rifle fire and many others were injured as soldiers and police used clubs and tear gas to quell the disturbance. Hundreds of people living less than a mile from the army camp were evacuated as a precaution.

The Cubans had tried to organize a mass breakout and throw stones at guards who tried to stop them. Tension has been high at the camp for the past week, with refugees complaining that they are being effectively imprisoned in the country to which they came seeking freedom. Some started fires in the camp after they had been forced to return.

The disturbance was similar in many respects to a prison riot. It has confirmed the fears of local people, who maintain that many of the refugees held there are saboteurs from President Castro's prisons. However, Mr William Clinton, Governor of Arkansas, believes the discontent has been provoked by agents of Dr

Castro among the refugees. "They want Fidel Castro to be able to laugh at us", he explained. President Carter ordered tighter security at Fort Chaffee today and a White House spokesman said efforts would be made to speed up processing. The President sympathized with the refugees' complaints, the spokesman said, but he did not condone their way of drawing attention to them. It is estimated that close to 100,000 Cuban refugees have landed in Florida in the last

Truman fear of A-bomb revealed in diary

From Herbert Mitgang New York, June 2

In a handwritten journal he kept before ordering the atomic bomb to be dropped on Hiroshima, President Truman expressed far more concern about the horrible effects of the nuclear weapon upon Japanese civilians than has been previously disclosed, even in his own memoirs 10 years later.

The newly discovered material was written at the time of the Potsdam conference in July, 1945, that he attended with Churchill and Stalin.

Writing on lined sheets of a legal-size tablet in a bold but clear scrawl, Truman observed on July 25, 1945: "We have discovered the most terrible bomb in the history of the world. It may be the first destruction prophesied in the Euphrates Valley era, after Noah and his fabulous ark."

"This weapon is to be used against Japan between now and August 10, 1945. I have told the Secretary of War, Mr. Stimson, to use it so that military objectives and soldiers and sailors are the target and not women and children. Even if the Japs are savages, ruthless, merciless and fanatic, we as the leader of the world for the common welfare cannot do this terrible thing. We must not use this terrible bomb on the old capital or the new (reference to Kyoto and Tokyo)."

The journal added: "The target will be a purely military one and we will issue a warning statement asking the Japs to surrender and save lives. I'm sure that they will not do that, but we will have given them a chance. It is certainly a good thing for the world that Hitler's crowd or Stalin's did not discover this atomic bomb. It seems to be the most terrible thing ever discovered, but it can be made the most useful."

The atomic bomb was dropped on Hiroshima on August 6, killing more than 75,000 people.

The journal entries were found in an unlikely, but obvious, place—the Truman Library in Missouri. They had been misfiled.

The journal was discovered after nearly 30 years by Mr. Robert Ferrell, a diplomatic historian at Indiana University. The entries were published in the June-July issue of American Heritage magazine.

After his return from Potsdam, Truman lent the miscellaneous scraps of paper to his Press secretary, Charles Ross, and apparently forgot about them. At some unknown time before Ross died in 1950, the papers were given to the President's secretary, Rosalynn Conway, who stapled them together and placed them in a folder marked "Ross, Mr. and Mrs. Charles". New York Times News Service.

Former US Attorney-General at Ayatollah's conference

From Tony Allaway Tehran, June 2

Defying a ban on unauthorized American visits to Iran, Mr Ramsey Clark, the former United States Attorney General, took part today in an anti-American international conference here organized by the Iranian Government.

But Mr Clark and the nine other Americans who flew in with him from Paris last night took an inconspicuous back seat in the proceedings, unsure whether they were delegates or observers. "We were invited by the Iranian Government," Mr Clark said.

Mr Clark, the most distinguished American visitor to Iran since the seizure of the United States Embassy last November, failed in an attempt to come to Iran that month for official negotiations on the 53 American hostages. He was forced to stop in Turkey when Ayatollah Khomeini said he would meet no one from America. But Mr Clark emphasized that the present visit was private.

He played down the prospect of legal action against the American group when they return to the United States, saying they were not there to discuss the Shah's order to imprison 10 years' imprisonment and a \$50,000 (about £21,700) fine. He said that when he told the

United States Administration of his plans they reacted with "disapproval". But all may be forgiven if—as Mr Clark indicated might be the case—he held fruitful talks during his stay in Iran. "Dialogue is imperative. That is why we are here," he said. Asked if he hoped the four-day conference, held to study American intervention in Iran during the Shah's rule, would lead to a resolution of the hostage issue, he replied: "I would be hopeful of that."

The conference, ordered by Ayatollah Khomeini after the failure of the American mission to rescue the hostages in April, heard President Abolhasan Bani-Sadr, condemn the "colony" established by the United States in Iran during the Shah's days.

In the afternoon, delegates were given documents the Iranians said proved their case against the Americans. One document appeared to confirm a statement in April by President Carter that the United States had been plotting a military coup in Iran during the dying days of the Shah's regime.

Reporters were shown a photograph of a message supposedly sent by General Robert Husey to General Alexander Haig, then head of Nato. General Husey was sent to Tehran by the Americans to liaise with Iran's military chiefs before the Shah's overthrow. The message, said to have been found in the Defence Ministry, spoke of plans 2A and 2B, which had been put to him by General Haig. The first referred to contingencies to break the wave of strikes that helped to undermine the Shah.

The second plan appeared to concern a take-over by the military, although General Husey doubted that the military would be capable of running Iran's complex government apparatus. The message indicated that General Husey was trying, if the plan became necessary, to effect it under the continued premiership of Mr Shehpoor Bakhtiar, the last pre-revolutionary Prime Minister, now living in Paris exile.

"If that fails, then my guidance is that we go to a straight military takeover... the bottom line would probably be your case, but without Bakhtiar at the throat."

Woman executed: A woman spared from the firing squad last month was executed in Tehran today after Ayatollah Sadeq Khalkhali, the Islamic judge, decided she was still keeping contact with drug smugglers from her prison cell. —Reuters.

Evacuees from rebel island praise rescue: From Denis Reinhardt Port Vila, New Hebrides, June 2. Evacuees reaching the New Hebrides capital from the secessionist-held island of Espiritu Santo have told of an uneasy calm, armed street patrols and barricaded shopfronts. They also commended decisive rescue action by the British authorities.

An estimated 550 people have left for other islands in an exodus that began on Sunday morning after Mr Andrew Stuart, the British Resident in Port Vila, announced that he was sending boats to the port of Tongoa, to take off those wishing to leave Espiritu Santo. Another 1,000 New Hebrideans are gathered on the beach at Tongoa awaiting evacuation.

Evacuees from rebel island praise rescue

Vila's main wharf by Mr Stuart amid emotional reunions with relatives and friends. A coastal steamer berthed in the early hours of this morning with another 24 people on board. Among them was Mr Robert Flower, the headmaster of the British School, who had organized a meeting of Commonwealth citizens in Luganville early yesterday to plan the overland trek to Tongoa. "We formed lists of people and then moved off in large convoys after the provisional government had given us a guarantee of safe passage," he said.

Angle-French meeting: Mr Peter Blaker, junior minister at the Foreign Office, met Mr Paul Djoud, the French Secretary of State for Overseas Territories, in Paris to discuss the matter, and to make a statement in the Commons tomorrow. A French communiqué issued before the meeting said that Paris was against the use of force to quash the uprising against Faber Walter Lim's Government which is due to take office when the condominium becomes independent on July 30.

Last week, Mr Stuart requested that British troops be sent to the islands and British forces in Hongkong have reportedly been alerted.—Agence France-Presse.

Eight Indian state elections put Gandhi in unassailable position

Victory in Uttar Pradesh was especially sweet for Mrs Gandhi's party, since a sixth of India's voters live there, making it one of the prime political levels. Months of wrangling have left the Opposition in disorder. The Lok Dal, for instance, and its president, Mr Charan Singh, are blamed by other parties for their inability to resist the Congress march. Mr Charan Singh said today that this was a black day for Indian democracy. "The restraints on those who yearn for absolute power no longer operate. As a result the Parliament has become irrelevant. Where do we go from here? The shades of our leaders of the recent struggle for national emancipation are looking for an answer."

Although there are more results to come, it does not look tonight as if Mrs Gandhi will secure a two-thirds majority in the Upper House, which she needs to prevent it blocking legislation. When she was elected in January she controlled one of the 20 state governments. Since then the number of state politicians coming over to her has assured her of majorities. The dissolution of state assemblies where elections have just been held was her most important move in her drive for complete control. In her view progress would be impeded if Delhi's policies were blocked by state governments opposed to her. Presumably there will now be a division of spoils, with some of Mr Sanjay Gandhi's nominees getting important posts. Mr Gandhi, who is 33, has certainly strengthened his position in the party and built a strong following of people who are young, if short of political experience. Their presence will make for a different Congress Party. Meanwhile, changes in the Government are expected.

S Africa call for renewed drive against terrorism

Continued from page 1. wounded guard at Nafre, there were no casualties. Nor was there any damage to the Sasol process, and a production was continuing normally today. Oil company and airline officials were reported to be planning a meeting in Johannesburg to discuss the possible effect on flights of the sudden loss of a large amount of aviation fuel. A spokesman for the oil suppliers said it was hoped normal aircraft schedules could be maintained by "juggling" supplies. Mr F W de Klerk, the Minister of Mineral and Energy Affairs, who flew to Sasolburg from Cape Town, commented on the coordination and "sophistication of the attacks. This showed beyond doubt that South Africa was facing 'an organized assault aimed at causing damage and disrupting stability and order'."

There is no indication yet of the number of saboteurs taking part in the attacks or the types of explosives used; but Mr Louis le Grange, the police minister, said that he had thrown every available man in the search for the gang. Security experts gave warning that more attacks could be expected after the success of the Sasol raids. Dr R. A. P. Fockema, president of the Transvaal Chamber of Industries, renewed a call to heads of state industries to take adequate preparations to combat terrorism.

In his first pronouncement after taking up his post as director-general of the National Intelligence Service today, Dr Neil Barnard said in Pretoria he believed the Sasol attack was not an isolated incident but was part of a coordinated enemy plan in an overall onslaught against South Africa.

In 1974, it was decided to build Sasol Two, which is 10 times bigger than Sasol One. The plant at Secunda came into production earlier this year and is expected to be at full capacity in 1982. Last year the Government decided to go ahead with a Sasol Three plant. It is hoped that when this is ready the nation will, by the mid-1980s, be producing between 40 and 50 per cent of its petrol need from coal. £1,000m setback, page 20



Designs

OWS

page 1

the garage of El-Bira, killed by news. The order was given to the homes of all. The order was given to the homes of all. The order was given to the homes of all.

PLO calls for West Bank strike over car bombings

From Robert Fisk Beirut, June 2

The Palestine Liberation Organization responded to the car bomb attack on the two West Bank mayors by calling for a general strike in the West Bank tomorrow and by angrily promising that it would "give Begin and the Israelis the reply to their terrorism in order to protect our people."

In a statement in Damascus, where Fatah, the dominant group in the PLO, has just concluded its annual congress, Mr Yasser Arafat, the PLO chairman, blamed the bombing on the United States because, he said, it was "directly responsible for the acts and doings of the Israeli occupation authorities". He called the attack an act of "official terrorism" against Palestinians.

The PLO's executive committee announced that it intended to call for a meeting of the United Nations Security Council, "to discuss the explosive situation in the occupied territories."

A meeting of the council could scarcely do more than express international anger at the bombing. But that, of course, is exactly what the PLO wants. In the present climate of world opinion on the Middle East—and with the Camp David treaty—a state of petrification or the embarrassment that the attack will cause

the Israelis is likely to be of more importance to the PLO than a threat of retaliatory action.

Nevertheless, there is every reason to take such a threat seriously. In spite of the plethora of statements coming from the PLO in Damascus and Beirut this afternoon, the bombings took the Palestinians here completely by surprise. They had known for some time that Palestinian violence in the West Bank—the killing of Israelis in the Arab town of Hebron, for example—would create indignation and anger among Israeli extremists who have seen no injustice in the continued occupation of the West Bank and Gaza. Indeed, the intensification of what the PLO calls "armed struggle" in the occupied areas was intended to create conflict in a land which had been politically dormant since the 1957 war.

But the car bombing was unexpected. The PLO has taken the view that the Israelis could restrain their own extremists in a way that the Palestinians could not.

If the PLO does plan a retaliatory operation, however, it is unlikely to be mounted from Lebanon. The Palestinians have learnt that an attack from within the West Bank creates infinitely more problems for the Israeli authorities than a cross-border raid that has only a small chance of succeeding.

Count Basie ill

Chicago, June 2.—Count Basie, the jazz pianist and band leader, is in hospital here after complaining of intense fatigue. Mr Basie, aged 75, is in an intensive care unit under observation.

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OVERSEAS

There are enough calories but they are never in the right place at the right time
Malnutrition now afflicts a thousand million people

In 1969, U Thant, the United Nations Secretary-General, announced: "The members of the United Nations have perhaps 10 years left in which to subordinate their ancient quarrels and launch a global partnership to curb the arms race, to improve the human environment, to defuse the population explosion and to supply the required momentum to development efforts." He gave warning that unless that happened "I very much fear that the problems... will have reached such staggering proportions that they will be beyond our capacity to control."

More than 10 years have passed since then. There has been no global partnership. Rather, the cost of oil has risen from

\$2 to \$35 a barrel; mineral reserves are being depleted; there has been a series of catastrophic droughts; the arms race has grown keener; the environment more polluted; the price of basic foods has quadrupled and the world population has risen from 3,561 million to 4,414 million people. Development everywhere is checked by political and economic uncertainties.

Earlier this year the Brandt Commission stated that the survival of the world economy now has to depend on the recognition that industrialized and developing countries are totally interdependent.

In a series of three articles, Caroline Moorehead reports on the world's crisis of resources.

Last month, Tanzania reported that unless it received immediate food aid, thousands of people, plagued by poor harvests, drained by the war against President Amin, and crushed by rising oil prices, would starve. It was not the only country in such straits.

Neighbouring Zambia is trying to increase its maize harvest after a poor harvest last year and indications of an even poorer one this year. In mid-September last year the Food and Agriculture Organization in Rome, which has an early warning system for such things, listed 20 developing countries affected by abnormal food shortages.

There have always been famines, but the scale and ubiquity of hunger today is on a totally new scale. Since the 1930s a thousand million people have been added to the population of developing countries, and both the absolute numbers of poor, and their proportion in the total world population have increased rapidly. Today malnutrition is said to affect more than a thousand million people; perhaps as many as 100 million live constantly on the brink of starvation.

Food distribution is uneven

Between the end of the Second World War and 1972, the world steadily increased food production. In the early 1970s there was some optimism that the advantages of modern technology, the "green revolution", would continue to increase production to exceed the 2 per cent growth in world population—that is on being able to feed an extra 75 million people each year.

However, food distribution was uneven and nearly half the children in developing countries were thought to be undernourished. This optimism about food-looking totals went with a conviction that once population growth was controlled there would be no further cause for anxiety.

Then in 1972 food production declined. After a bad summer the grain and cereals harvests fell 3 per cent behind those of the previous summer; but because of world food reserves, most countries were able to buy at least some of what they needed.

However, the 1972 shortfall caused a steep rise in the price of basic foods, particularly grains (cereals and grains provide over half the calories and nearly half the protein consumed by the world population). Blame was put partly on

the unusually large amount of grain bought by the Soviet Union and China (30 million metric tonnes) mostly from the United States, at low, government-subsidized prices.

Between 1972 and 1974 the price of wheat, corn, rice and soy beans rose or quadrupled. The bad weather and poor harvests in 1974 coincided with the fertilizer shortage and the energy crisis.

World grain reserves (stored, most of it United States surplus or potential production of idled land) fell to their lowest level of 33 days. In October that year, the FAO reported that 750 million people were threatened with bankruptcy and starvation.

There has been no return to optimism since then. The rate of population growth has declined in the past five years; the 1974 forecast was that by the end of the century the world population would have doubled to 8,000 million; the prediction is now between 6,000 and 6,500 million.

However, the population continues to increase, often at 3 per cent or more. In the countries least able to increase production, it is only in the wealthier countries, able to feed themselves, that the birth rate has fallen to below 2 per cent, or even in some cases, like Britain, West Germany or the United States, to zero growth.

In 40 per cent of the developing countries population growth continues to outstrip food production, and what food there is continues to suffer from high loss (up to 30 per cent, because of climate and pests).

Lack of transport and storage

Before the Second World War, several African, Latin American and Asian countries were able to export grain. By the mid-1960s, they were all importing it in increasing amounts.

People's calorie needs vary according to size and activity, but the FAO has estimated that each person should have on average 2,354 a day and that about 2,420 calories a person actually exists, but not in the right place at the right time. Poverty, ignorance, lack of transport and storage systems and economic patterns effectively ensure that the world continues to have, as George Borgstrom put it in his book *Too Many* about 450 million well fed and wealthy living in the rich luxury of against 2,400 million undernourished or in other ways deficiently fed and generally poor.

Deaths from malnutrition are common; of the 60 million that



Life on a fingertip for an Ethiopian child. The others do not qualify for the high protein porridge because they are still strong enough to stand.

happen each year, between 10 and 20 million are thought to be the result of starvation. They are rarely labelled as such. Diseases unimportant to well fed people kill hungry ones. The preschool mortality rate, considered the best nutritional indicator, is 10 to 40 times higher in parts of Asia, Africa and Latin America than it is in the United States. At least half of these deaths are accepted as being due to malnutrition.

Malnutrition does not always kill. It can cause marasmus, deficiency in protein calories, producing thin, wasted babies with wrinkled skin; kwashiorkor, or protein starvation, with which children become stunted and apathetic, with pot bellies; beriberi (deficiency of thiamine through eating polished rice); anaemia and rickets. It has long been known that malnutrition during the years of growth can cause physical deficiencies; more recently, evidence has shown that protein deficiency

in infancy is thought to cause irreversible brain damage. The view that food aid is a transitional phenomenon has to be abandoned, at least for the rest of the century. Rice, the staple food for an estimated 2,000 million people, is consumed where it is grown. But wheat, second in importance in the diet of human beings, does not grow well in the tropics: the United States produces about 15 per cent of the world's wheat, the Soviet Union 24 per cent, Canada and France 5 per cent each.

In 1975, 34 million tons of wheat were imported by the developing countries. This could rise, on present forecasts, to 73 million tons in the year 2000. The United States, Soviet Union and Western Europe are also the main producers of corn and maize, barley, oats, rye, millet and sorghum. The Soviet Union, Poland and West Germany grow, outside China, the most potatoes.

Tanzania's crisis is being met by Japan, which has pledged 30,000 tons of rice. Canada (13,000 tons of wheat), the United States (25,000 tons of maize, 30,000 tons of rice), Australia, France, Holland, West Germany and the European Economic Community are all chipping in.

The suppliers are always the same, the industrialized West: the needy, always the 29 accepted "least developed countries" which lie in two "poverty belts" one across the middle of Africa, the other from Afghanistan and across South-east Asia, where the per capita income in 1977 was about \$65.

Fears that imports will be higher

All forecasts of future import needs of developing countries allow for substantial improvements in their agricultural production: if that does not happen, if more land is not used more intensively to increase yields, or if there are more droughts, then imports will have to rise yet higher. And there is no technical barrier evolved that provides the possibility of an increase in food production of a magnitude offered 15 years ago by the "green revolution".

Ten calories of vegetable matter equal one calorie of meat matter, or, as Paul Senck put it 10 years ago in *Population Resources Environment*, "all flesh is grass". To turn grass into livestock is costly and inherently inequitable.

Food experts frequently say it is outrageous to feed cows with cereal when hundreds of millions of people are suffering from chronic malnutrition.

However, they usually add that it would be economically and politically inconceivable to prevent people from upgrading their diet whenever they can. Eating more meat, but that what could and should be done is to ensure that supplies going to feed cows can be drawn on in times of serious shortages of cereal supplies.

An FAO report, entitled *Land Cultures*, issued in 1970, said hunger could be abolished, but not this century. And not unless there is what seems to be a new economic order, in which the world's resources are redistributed, production in the developing countries is modernized and more investment made in their economic future.

In the long term, it will not help to keep shipping food endlessly about the world. There is no alternative but to try to break the cycle of poverty and poverty and distribute wealth so that people can afford to produce food themselves. The poor are malnourished, not because they are ill or their diet is deficient, but because they do not have the purchasing power to buy the food that exists.

Intake of calories and proteins (grams per day) per person, 1965-68

| | Calories | Protein |
|-------------|----------|---------|
| India | 1940 | 42.3 |
| Africa | 2170 | 47.5 |
| China | 2050 | 49.3 |
| Europe | 3580 | 43.8 |
| Nth America | 3550 | 59.3 |
| Oceania | 3000 | 58.2 |

Seoul general resigns as spy chief

From Jacqueline Reditt

Seoul, June 2
Lieutenant-General Chun Doo Hwan submitted his resignation as acting director of the Korean Central Intelligence Agency today.

General Chun, aged 47, is also the defence security commander, and his decision to give up the KCIA post came as a surprise. No reason for his resignation was given, but he was recently appointed to the special committee for national security measures, and chairman of the standing committee.

The official role of these two military-dominated committees is to coordinate the activities of the civilian Cabinet and the martial law command and to advise the President. But opposition leaders view them as a thinly-disguised military government.

When General Chun took over the KCIA on April 14, he said

he intended to reshape the agency, to restrict its activities to gathering information on North Korean Communists and to regain the trust of the people. He immediately dismissed 33 of the 40 section chiefs in the KCIA.

General Chun has recently come under attack from militant student and opposition leaders who have demanded his resignation and even his execution. For a man who claims to have no political ambitions, the general has acquired extraordinary powers since the assassination of President Park Chung Hee last October.

In December, 1979, he organized a purge of the army that resulted in the removal from their posts of more than 30 generals and the arrest of General Chung Seung Hwa, the former martial law commander and army chief of staff. General Chung Seung Hwa is serving a

seven-year prison sentence for aiding President Park's assassin, Kim Jae Kyu, the former KCIA director.

General Chun was a loyal supporter of President Park, whom he recently described as "a man almost without parallel in South Korean history". In a rare press interview he said he felt the country was "gripped by wrong ideas, such as permissiveness and lack of discipline".

The correspondent of the Japanese news agency, Kyodo, was today ordered to stop working in South Korea. The Ministry of Information and Culture said that Mr Kenichiro Hayashi, aged 33, had been maliciously twisting facts and issuing false reports about South Korea. This is the first time since the present martial law restrictions were imposed that a foreign journalist has been prevented from reporting

Black leaders' support for peaceful Namibia solution

From Nicholas Ashford

Salisbury, June 2
Leaders of the "front-line" states, meeting in Lusaka today, decided fully to support implementation of United Nations Resolution 435 on Namibia (South-West Africa).

It calls for a ceasefire between South African troops and guerrillas of the South West Africa People's Organization (Swapo), to be followed by United Nations-supervised elections leading to independence.

The United States, Soviet Union and Western Europe are also the main producers of corn and maize, barley, oats, rye, millet and sorghum. The Soviet Union, Poland and West Germany grow, outside China, the most potatoes.

'President Nyerere of Tanzania, the front-line chairman, is expected soon to contact Dr Kurt Waldheim, the United Nations Secretary-General, to tell him the views of the

states. Today's meeting was attended by the leaders of Angola, Botswana, Mozambique, Tanzania, Zambia and Zimbabwe, and the president of Swapo.

It came three weeks after South Africa had replied to Dr Waldheim on United Nations demand for a ceasefire, which gave qualified approval to the plan while laying down conditions which Western observers believed were designed to drag out negotiations to allow time for the internally-based Democratic Turnhalle Alliance to try to establish itself as a credible alternative to Swapo.

The front-line decision will relieve pressure on South Africa and on the Western powers (Britain, West Germany and Canada) which have been trying to work out a compromise.

In particular it seems likely that there will be no new United Nations move for a time to implement sanctions against South Africa.

Magazine staff jailed in Taiwan

Taipei, June 2.—A Taipei court today jailed all but one of 33 people accused of taking part in anti-Government riots in the southern Taiwan port of Kaohsiung during a human rights rally last December. One of the accused was acquitted.

Sentences ranged from 10 months to six years and eight months, the longest sentences being passed on two employees of *Formosa*, a political magazine, now banned, which was alleged to have engineered the riots.

The rally, which had been banned by the authorities, led to street battles which 183 civilian and military police were injured, the Government said—Reuters.

Jail for former judge accused of Bhutto bias

From Hassan Akhtar

Islamabad, June 2
Mr Mohammad Yusuf Saraf, a former chief justice of Azad Kashmir High Court has been sentenced to an effective six months' jail by the Azad Kashmir Supreme Judicial Council for contempt of court.

His conviction is apparently the first case in the Indian sub-continent of a former justice being convicted and sentenced to jail on any charge.

Mr Saraf, who is 57, had resigned in January. He was accused, among other things, of displaying undue bias towards the late Zulfikar Ali Bhutto, the former Prime Minister. The council did not publish the precise charges,

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NEW YORK FILM FESTIVAL

SPORT

Motor racing

Spanish Grand Prix is declared illegal and Rio ruling to stand

By John Blunden

An extraordinary meeting in Athens yesterday of the executive committee of the International Automobile Federation (FIA) has declared the Spanish Grand Prix to be an illegal race which will not count for world championship points. The same meeting also confirmed that the various new regulations announced earlier this year by the FIA at Rio de Janeiro, which have been the subject of so much contention, are to stand. Furthermore, any chance of a reconciliation between the International Automobile Federation (FIA) and the Formula One Constructors' Association (FOCA) was knocked firmly on the head by the decision to remove FOCA's status as the executive committee of the FIA.

This committee is due to meet in Athens today and the FOCA president, Bernie Ecclestone, and the association's legal adviser, Max Mosley, both flew to Greece expressly to attend the meeting and to try to find some solution to the recent impasse.

Mr Ecclestone told my colleague Keith Bosford of the Sunday Times: "We were hoping to be able to contribute to a solution to the problems that arose in Spain and we are disappointed."

But not surprised, that the FIA has made it impossible for us to talk. We have contracts for all the remaining Grand Prix races except Holland and we will both honour and enforce those contracts."

Meanwhile, the FISA's suspension of drivers for the non-payment of fines still stands, although the organization's president, Jean-Marie Balestre, was making conciliatory noises in Athens, presumably in the hope of drawing the drivers away from the FOCA. The Royal Automobile Club Espana (RACE), however, which withdrew responsibility for the Spanish Grand Prix from the Spanish Federation in order to take direct control of the event itself, was severely criticised by the FIA at yesterday's meeting for "acting in a deplorable manner to the Spanish Federation."

Several law suits are now pending from FOCA, who will be challenging both the FISA and the FIA as well as Mr Balestre himself. Central to any legal action will be the question of who owns the sporting rights of the Spanish Grand Prix. The RACE in withdrawing its support has declared that the Spanish Federation in respect of this event notified the FIA in Paris of its action, and the club contends that it acted perfectly legally in taking over the staging of the event, which was run to the established FIA rules.

Far from solving the bitter dispute which has marred Grand Prix racing during the past week, the Athens decisions have merely fanned the flames. After the meeting, the FIA president, Prince Metternich, said: "It was time to determine who runs motor racing, and we could not stand any more of this."

The executive committee therefore decided to take things back into its own hands. After all, Formula One is not just a motor racing and Mr Ecclestone does not own it. In the voting which took place yesterday, the British delegate, Sir Clive Bosson, abstained.

The next scheduled round of the world championship is the French Grand Prix, which is to take place at the Paul Ricard circuit on June 23, but a great deal of repair work will be necessary during the intervening period of the French Grand Prix. Mr Ecclestone intends to give his close personal supervision, it is to be expected, to the team with which he and his organization are currently at loggerheads.

Tennis

Six seeds lose at Beckenham

By Sidney Friskin

The men's entry for the Beckenham tennis tournament, sponsored by the Kentish Times, has not been as strong as last year, but this year's event is the best so far. The first day's play was marked by a number of unexpected results and not a few outstanding performances. The five seeded players in the men's singles were beaten: Chris Delaney (No 2), Nick Saviano (No 3), John Lloyd (No 10), Warren Maher (No 12) and John Austin (No 16). Betsy Nansen (No 7) was the only seed to fall in the women's event.

British players had a fair round of success, with Roger Taylor, Richard Lewis and Jonathan Smith qualifying for the second round of the men's singles and Joan Durie having a fairly comfortable passage in the second round of the women's. But John Whitford, of Horsham, lost in straight sets to the No 4 seed, Erik van Dillen, and Michele Tyler was beaten, also in straight sets, by Marcela Mosker, of the Netherlands.

Taylor won an exciting match in three sets against Nick Saviano, 6-4, 3-6, 6-3. It was a duel of left-handed aggression in which Taylor, aged 39, carries a lethal forehand, a forward passing shot, which while waiting, is a delight to his followers, often left the American stranded on the wrong side of the court.

Flair, urgency and impulsiveness, which became more conspicuous in the two deuce breaks, service breaks in the third set, as Taylor gave Taylor a lead in the deciding set, but by then both players had complained about line calls. An extra invigilator was summoned to watch the service line. Taylor, serving with renewed vigour, took the sixth game easily and broke through in the seventh to emerge a comfortable winner.

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Everything stops for a farcical interlude

From Rex Bellamy
Tennis Correspondent

Illness and administrative bungling created an embarrassingly farcical interlude in the French tennis championships here today. Guillermo Vilas, who was scheduled to play Manuel Orantes in the spending new arena known as the Stade de France, was so badly afflicted by flu that he was unable to play. In no condition to play, John Tric, who manages Vilas, told the organisers, that it would take an hour to get him to the court. There was, they told him, time enough. They were wrong.

The previous match finished quickly. Orantes hung about, waiting the call to active service. By the time the interval's period of grace had expired, Vilas was ready but Orantes was not. Vilas was ready but Orantes was not. Vilas was ready but Orantes was not.

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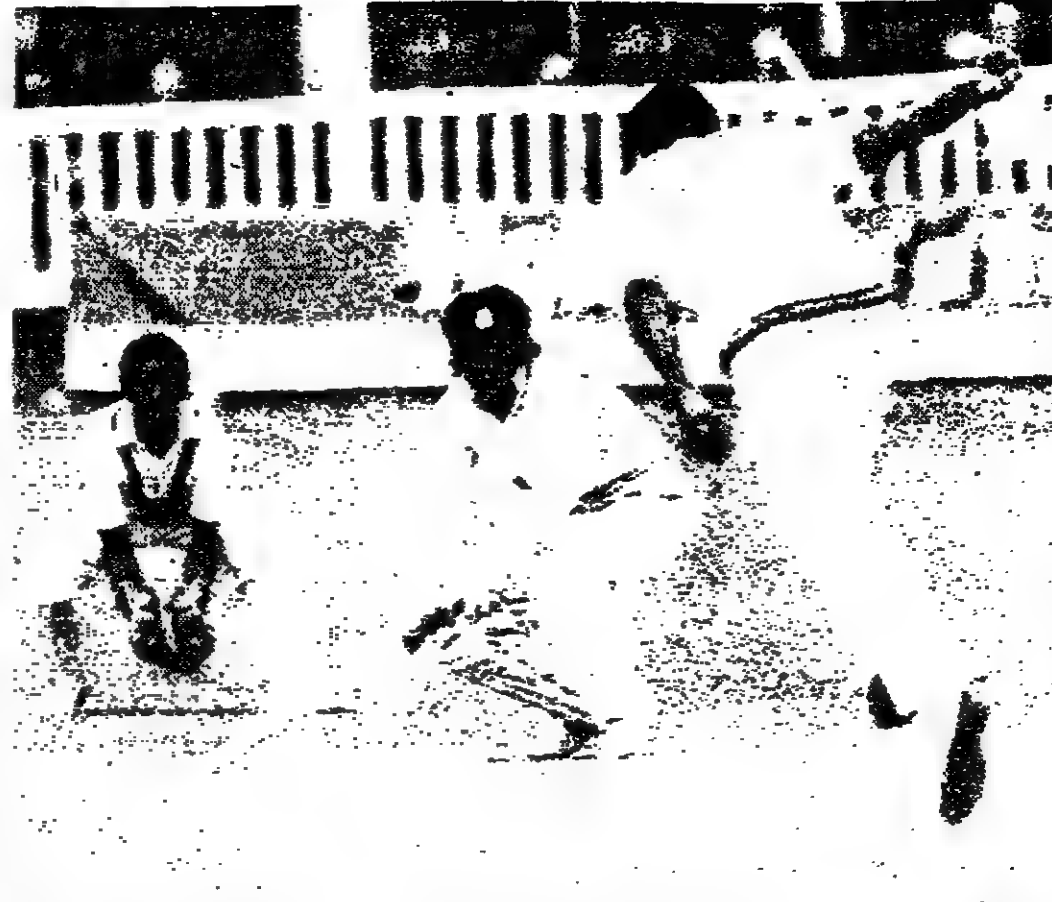
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Cricket



Knott out yet: Alan Knott advances against Holding on his way to the top score of the Kent second innings. He was later stumped by David Murray (left).

W Indies negotiate tricky passage

By Peter Marston
CANTERBURY: The West Indians beat Kent by five wickets.

The West Indians, who had been set 102 runs to win, lost five wickets for 60 runs and took two hours and five minutes to reach their target on the St Lawrence ground yesterday. But, if Kent aspired to spring a surprise, they were thwarted by the determination of Lloyd and Derrick Murray in a sixth-wicket stand of 42 runs.

Following two declarations on the second day, the first day having been lost to rain, the West Indians routed Kent in their second innings. Parry took four for 28. Holding three for 19. Garner three for nine, on the tourists' way to their fifth successive victory. The West Indians have already banked 4,200, with the promise of more to come.

Keat began in the morning with all their second innings wickets in hand, and leading by 20 runs. There was a lot of threatening rain about, but no rain fell. Keat were quickly in trouble against Garner and Holding, and once again, Woolmer and Tavaré, who were in the first Test match against West Indies at Trent Bridge on Thursday, were markedly unsuccessful.

Woolmer was caught behind in Garner's first over and Tavaré, who was put down before he had scored at slip off Holding, eventually fell to a good diving, left-handed shot by Bacchus at forward short leg off Parry's bowling.

Keat's rapid demise had begun with Rowe, leg before to Holding in the morning's fifth over, and Convery, hero of the first innings, drove over a ball of full length from Holding.

Johnson jumped on the slide to be caught behind with the score at 31 and that left an improbable task in the hands of Knott and Taylor. They held on for 17 overs before Taylor fell before Holding. At lunch Kent were 65 for six, and leading by 65 runs. In the third over of the afternoon, Knott was caught by Lloyd at slip. Parry and Garner rounded up the remainder for 15 runs, with Knott, stumped down the pitch to Kent, easily stumped.

Having stumped Kent for 84, the West Indians had an apparently easy passage and oceans of time in which to secure victory. But they did little better than Kent had done in the first innings, unable to find movement through the air and though the pitch was slow, the first four batsmen were put out for 34 runs. Jarvis gave Kent the fifth wicket, as Knott, stumped by Lloyd, fell to a good diving, left-handed shot by Bacchus at forward short leg off Parry's bowling.

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Johnson jumped on the slide to be caught behind with the score at 31 and that left an improbable task in the hands of Knott and Taylor. They held on for 17 overs before Taylor fell before Holding. At lunch Kent were 65 for six, and leading by 65 runs. In the third over of the afternoon, Knott was caught by Lloyd at slip. Parry and Garner rounded up the remainder for 15 runs, with Knott, stumped down the pitch to Kent, easily stumped.

Following two declarations on the second day, the first day having been lost to rain, the West Indians routed Kent in their second innings. Parry took four for 28. Holding three for 19. Garner three for nine, on the tourists' way to their fifth successive victory. The West Indians have already banked 4,200, with the promise of more to come.

Keat began in the morning with all their second innings wickets in hand, and leading by 20 runs. There was a lot of threatening rain about, but no rain fell. Keat were quickly in trouble against Garner and Holding, and once again, Woolmer and Tavaré, who were in the first Test match against West Indies at Trent Bridge on Thursday, were markedly unsuccessful.

Woolmer was caught behind in Garner's first over and Tavaré, who was put down before he had scored at slip off Holding, eventually fell to a good diving, left-handed shot by Bacchus at forward short leg off Parry's bowling.

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Brearley's successor gets food for thought

By John Woodcock
Cricket Correspondent

AUNTON: Somerset, with all their second innings wickets in hand, are 24 runs ahead of Middlesex.

Britain first in the race to be last

The conditions apply only to horses which are the property of overseas residents, and will mean that in future: horses may be temporarily imported for training and racing during a period of up to 12 months; exceptionally, yearlings may be imported after July 1 of the yearling year may be kept in the United Kingdom until December 31 of their three-year-old year; and, again, exceptionally, horses and yearlings purchased in the United Kingdom for imported horses, security for the V.A. due must be provided by cash deposit or other form of security acceptable to the V.A. in the United Kingdom, in order to guarantee the V.A. against repatriation.

must be given; if an imported horse is not exported at the end of the prescribed period, VAT will be paid either by the depositor or under the terms of the bond entered into on importation. If an imported horse is offered for sale during the period of temporary importation, the owner will have the choice either to pay the VAT due on import and start the sale during the period of temporary importation, or to pay the horse with VAT on the actual selling price and reclaim the VAT deposit.

grand-daughter of the Ascot Gold Cup winner, Alycidon, and other

Nikoli can follow in Grundy's hoofprints

My pedigree are Levmons and Mrs. It will be a surprise. Nikini fails for want of standing and the only question I have concerns his ability to act round Epsom.

Behind the same odds in betting for tomorrow's race, Monteverdi, but Nikini not only beat him at Phoenix Park but won the margin in the Irish 2,000 Guineas. In neither race was I satisfied that Monteverdi was the better horse. But Vincent O'Brien believes that he needs the Derby trip, it is his chance to show his class and to alone against the entire field.

The rank outsider, Nob Shamus, completes the Irish chase and is a long way off to reach the first six. For money, Nikini can end the afternoon as the favorite. All Irish trainer, Paddy Prendergast, for a Epsom Derby winner.

Salisbury programme

Bath results

4.0 DURNFORD HANDICAP (£2,320 : 6

[illegible]

6-1 Bustakl, 2-1 Water Dance, 8-1 Quet Cannon, Revolutionary, 12-1 Amarak.

[illegible]

Bath results

[illegible]

DICAP (21,797; 1m
MR JERRY, ch h
Hessborough (T.
Ca.

[illegible]

ALSO RAN: 2-1 (1)
for Bay, 11-2 Asc
Value 13-1 Dan 1

Meat, 25-31 Balarum, 25-31 Plector,
from Dowdswall, 25-31 Clefrod.
15 ran
TOTTE: 12.00 51.00; places, 45
50.00 51.00 52.00 53.00 54.00
CSE 250.00 12.1. Seiding, at Kingscote.
15 ran

4.30 15.35 BRISTOL STAKES 15-y-o
15 ran
FAST RECOIL, Ph. 4.00 51.00 52.00
10.00 11.00 12.00 13.00 14.00
toni: 0.00 C. Cook 4.74 ran 1
Coydon 4.74 ran 2
Also ran: S. Gauthier 12-1 3
The Alan 15-1
CSE 250.00 15.35 16.00 16.35 17.00
Hedder 18.00 3.1 14.00 14.00
15.00 16.00 17.00 18.00 19.00
FOX Lady, Marnold Monah, Plicker-
ton Brum, Marnold Monah, Rastles, Jan-
did not run
15 ran
TOTTE: 12.00 55.00; places, 12 13.50
51.00 52.00 53.00 54.00 55.00
B. Ford 4.00 51.00 52.00 53.00
54.00 55.00 56.00 57.00 58.00
15 ran
TUT: 12.00 51.00 52.00 53.00 54.00
Jerr, 520.45 TREBLE: 15.00 51.00
52.00 53.00 54.00 55.00 56.00
PLACETOP: 205.00

Auteuil

3.03 PRIZ LA MARKA (Hurdle; ES,950;
2m 3/4)
NELLIO, ch h. by Lionel
Mademoiselle Cleo Eimoz-
nino, 5-10-8 G Negrel 1
Higbelle P. Thal. 1
Teofilo Otelo S. Roux 3 1/2

ALSO RAN: Aloyna, Tenir, Carnoni,
Vain Log, Fair Tom, Pavino, Garvicky,
Romez Paper Rich, 12 ran.

PARI-MUTUEL: win, 2,200r; places,
1.50. 1.50. J. Audon Sh hd, 10f.

Edinburgh

7.0: 1. Liscr Star (5-2); 2. Wynnbury (9-4) 1 fav; 3. Bennardward (20-1), 9-4 1 fav Rence, 6 ran.

7.25: 1. Atilla The Hen (6-4); 2. Millingdale (evens); 3. Amanda Mary (19-1), 1 ran.

7.50: 1. Sakana (6-4); 2. Newark (11-1) 1 fav; 3. Hays First (8-1), 11-10 fav Emerald Empress, 5 ran.

8.20: 1. Ocelli Mills Star (5-1); 2. Vron (11-1) 1 fav; 3. Kaidan (12-1) 1 fav; 4. Regency Belle 2-1 fav, 6 ran. NR: Rime A Dance.

8.50: 1. Good On You (11-1) fav; 2. Talkabout Tommy (100-30); 3. La Tourville (9-2), 6 ran.

9.15: 1. Desert Star (10-1) fav; 2. Belladonna (11-1) 1 fav; 3. Muzzeiter's Moeie (11-4), 7 ran.

3.15 (3.21) HAV
'Selling: E618' 1h

LORD RAFFLES, 6 s by Upper Case
Sonia (W. Pensinger) 4-8-11 1
1
ALLIED Soriente, 6 s. B. Eccles (25-1) 1
Mark Emerson, G. Ramsnath (12-2) 1
7-2
Master Snatches, 6 s. 4 (4th), 5-1 Tollers
Rear, 6-1 Monday Night, 20-1 Flying
50-1 Double, 10-1 Ricford Circle, Tecamas.
50-1 Double

TOTE, Win 74c; places, 21p, 96c.
32nd Dual P. 424.48. CSF. \$16.88.
Mason, at Guilford 61, 1st 580
guineas, 1st 580

3.45 (7:40) LEVY BOARD STAKES
(Hurdle) Americanos 1972 61
PEKOS TAIL, 6 s by Tumbe
Wind-Carrie (Fair All Maturity).

Seaside Lad, M. Saunders (12-1) 2

Stockton programme

[illegible]

3.45 CRESCENT HANDICAP 12:30

[illegible]

7 Melandy (CD), J. Berry, 3-A
8 Prince (D), K. Stone, 6-A-7
9 Cleveland, J. Mason, 4-B-7
010-120 Border Brook (C), W. C. Hays

[illegible]

| | | |
|----|---------|--------------------------------|
| 10 | 0-2 | Solar Love, B. Hanbury, 4-4-5 |
| 11 | 0-00002 | Dancing Kals, A. Arnold, 5-0-2 |
| 12 | 40000-0 | Hi Friday, A. Bannock, 1-0-0 |

| | | |
|----|---------|--------------------------|
| 71 | 00 | Charles Gamble, J. B. |
| 22 | 00 | Edged Gold, P. Wigan |
| 00 | 00 | Just Wharton, Denys S. |
| 08 | 00 | North Sea Tiger, S. N. |
| 50 | 042-4 | Rock Apart, R. Cecil |
| 33 | 00 | Ragdoll, M. Jarvis |
| 65 | 024-003 | Spring Surprise, J. Hard |
| 34 | 00 | Young Robin, N. Crum |
| 43 | 00-0 | Gold Pelts, N. Callaghan |
| 45 | 0-0 | Mina Williams, J. Hine |
| 16 | 0-0 | Maryann, R. Hill |
| 47 | 000-0 | Miss Louise, C. Thorne |
| 51 | 00-0 | Pacific Dream, K. Stone |
| 00 | 00-0 | Tenth Lady, J. Ethering |

Manx Millennium, Tudor Claire, 14-1 Renata 1

Salisbury selections
By Michael Phillips
2.0 Holly Patch, 2.30 Chateau D'ar
4.0 Cry No More, 4.30 Water Dance
By Our Newmarketer Correspondent
3.0 Sir Tristan, 3.30 Tolstoy, 4.0
Queensbury Lady.

Stockton selections
By Michael Phillips
2.45 Smokey Shadow, 3.15 Cilla
Fidler, 4.45 Smith Seal, 5.15 Little
By Our Newmarketer Correspondent
2.45 Smokey Shadow, 3.45 Credit C
5.15 Asrandra, 5.45 Poles Apart.

ALSO RAN: 9-2 fav Helixian. 5-1 TOT
Misses Medina. Well Gressed 14th. 218. D

11-2 Sweet Dipper, 7-1 Tower Win.
 10-3 Breeze Again, 1-9 Cashmere
 8-1 Kearsy, 6-5 Dignus
 Turned down 15 ran
TOTE 22; places, 27¢; SF.
 5-20 Dual forecast, £6.40; HS.
 6-1 J. P. Durr, at Newmarket, Cde.

4.15 (4.18) BARHAM STAKES (3-yo)
 Maidenlet 27/60 1½ m

MISTER LUCKY, by Royalty
 Fair Songstress (R. Lalemont), 7-1
 W. Brooker, c. Bazier 17-1
 1-2 The Duke of Devonshire, 1-2
 Salyerian R. Muddle 7-2 (I Av.) 3

ALSO RAN: 7-2 I Rav Our Bara
 1-2 No c. Heath House Extra
 Colman Ash 1-3 Heath House
 1-1 Georgian Lane 30-1 Goldem
 1-2 The Duke of Devonshire
 1-2 Maudlin Love, Moss Vale, Perfect

name

(Div 1: maidens: £790: 1m)

1-2-3
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Others.

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 m 8-6 N. Crowther
 m 7-10 J. Lewis
 m 7-7 C. Chasley
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 m 9-3 G. Harfield
 m 8-12 L. Charnock
 m 8-10 W. Wharton
 m 8-10 A. Parr
 m 8-10 M. Birch
 m 7-10 K. Davies
 m 7-10 N. Brady
 Irish Solitaire, 13-2 Erolution, 5-1 Cat
 14-1 others.

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 m 9-10 P. Colehouse
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6-A-7 K. Darley
4-B-7 M. Wigham
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| 3-8-5 | P. Young | 7 |
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| 3-8-5 | J. Bineadale | 7 |
| 3-8-5 | G. McDermott | 7 |

5-1 Dancing Kate, 8-1 Solar Love, 10-1
Santal 16-1 others.

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5.0 Sir Eamon.
Design For Living. 4.30 Bleach. S.
s Secret. 3.45 Credit Centre. 4.15
Atom. 5.45 Poles Apart.
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TOTE: W/in. 66p; places, 15p, 73p,
21p. Dual forecast: \$6.27, CRR: \$7.23

R. Hamon, at Marlborough 41. 41.
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VACABOND KING ch. c. by Realm
 —Alley Cat 5. Ribbles 3-8-3
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 We'll Meet Again B. House 16-1-2
 Pashas Dream J. Blanks 9-2-3
 12th. 12-1-2
 Baker and Owen 12-1-2
 14th. Royal Kingdom 14-1-2
 15th. R. Hamon 15-1-2
 23rd. Flyme Broom 35-1
 Hood Hill Last Bus. Freddie Bee
 2nd. 10-1-2
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My belief in the superb Scottish education is confirmed by a colleague spotted this 'existential graffiti' on a wall in A " 'God is dead,' 'Sartre is dead'—God

Alan Ha

Le Monde
LA STAMPA
THE TIMES
DIE WELT
Europa

VII No7
ECONOMIC MONTHLY PUBLISHED IN
TAIN, FRANCE.
ST GERMANY AND ITALY

After the EEC budget accord

We must say what we believe in



be more ridiculous ght of men fighting oveselves in a house on fire? Europe flaring just such a While the world is le the sound and guffling increasingly of Asia and Africa, of the super-powers orce to pursue its imperialism in the em's teachings and finding itself in the f having to choose olitical realism and is losing on both e old Continent, the birthplace of ion which will (but much longer?) sus- tern values, is pri- erned with agri- ecting, budgetary sep and fish.

Europe is both the and Achilles heel of unity. Admittedly mon Agricultural he only organization ed markets, the only stem and, without it, ould be little more e trade area. Those hoped that the ould become more and that it dually lead to a con- of states (to say the more ambitious of the founding cannot contemplate ing of the corner- e system.

In the case of those which the whole world needs, such as cereals, vegetable oils, sugar and meat, as much as possible should be produced as cheaply as possible. In the case of those which are less essential, such as wine, butter, fruit and vegetables, the rule should be to produce as much as can be sold. In short, market forces should be allowed to bring production into line with demand. But farmers must play their part in the protection of their markets by accepting a drop in prices if they produce more essential foodstuffs and even the forfeiture of price guarantees for products with limited markets.

Without looking beyond economics it has become common place to emphasize the risks of energy dependence, but it is rare for attention to be drawn to the irresponsible behaviour of a Community which is well aware that by 1990, given average economic growth, energy consumption will be half as much again as in 1979. Even if alternative sources of energy play a larger role, the Community will still depend on imports for half its supplies, which will mean buying between 470 million and 570 million tonnes of crude oil from abroad.

amounted to constructing a theoretical common industrial policy to indulge in revamping old institutions that are no longer viable. We must first put our own affairs in order and, excepting emergencies (as in the case of the Davignon plan for steel), we should not look to the European bodies in the way that some rely on the state, to provide protection against the consequences of competition.

Not everything is going wrong in the Community and the EMS, along with the Lomé Convention, which could serve as a model for the North-South talks, is among its foremost recent successes. Last year was the most stable for European currencies since 1972. This is all the more remarkable in that the differences in inflation rates in the EEC grew wider in 1979. But one should not take risks and the EMS will receive a severe jolt sooner or later unless coordination of economic policies is improved.

Europe does not live by economics alone, and, in the light of the international crisis and the lengthening queue of social aspirations are emerging for greater equality between men and between regions, more sharing of power, knowledge and wealth, less centralization and decision-making in companies or, in some countries, at national level.

Europe has been searching for its identity for years because it has followed the easiest course, that of the American model, but it must now shake off its old image and sav what it believes in, explaining its destiny which it has in mind for its peoples. It is fortunate in that, since it does not brandish its heavy weaponry of power, it has the ear of the emerging nations of the Third World. Will it be able to overcome its divisions and give voice to a new theme, the theme of good sense, which is today drowned by the din of imprecations?

Pierre Drouin

General Bernard Rogers, the Supreme Allied Commander of Nato, talks to Cay Graf Brockdorff on the Soviet build-up

SS20 missile is threat

What are the changes in the Soviet build-up which you have seen in the past year?

I would not try to pin it down to a single year. What we have seen is a continuation of the massive build-up in all military areas by the Soviet Union. We have seen it in the strategic nuclear area; we have seen it in the theatre nuclear area—the continued deployment of the SS20 missile; we have seen it in the conventional area where it continues to out-produce the West by great numbers in the kinds of combat vehicles and weapons systems that one needs to fight on the modern battlefield.

So the last year has just been a continuation of what we have seen for the past 15 years. As a consequence, with respect to the threat, we face not only the results of that build-up but we face also the fact that the Soviet Union understands the political utility of military power as demonstrated in the use of proxies in the Third World to carry out the Brezhnev doctrine and in the use of its own forces in Afghanistan to extend the application of that doctrine.

We are living in crucial times. It would be good to know how the Supreme Allied Commander views the deterrent power of Nato.

Well, if our deterrence is to be effective it's how the Soviet Union views that deterrence, not how I view it. And if one would put oneself in the position of the Soviet leaders and look to the West, I think that one would view the deterrent power of Nato as being quite significant. Although there is essential equivalence at the strategic nuclear level, they understand that efforts are being made to work towards the maintenance of that equivalence by the West with the decision to produce and deploy the MX missile.

In the theatre nuclear area, although they are continuing deployment of those kinds of weapons aimed at Western Europe, the very vital decision was taken on December 12 by Nato that we would modernize our theatre nuclear forces and at the same time that we would seek arms control agreements which would reduce and balance those theatre nuclear forces.

On the conventional side, traditionally the Soviet Union has had a numerical superiority. With it, it has now combined the technology to provide it with qualitative improvements in weapons systems and combat vehicles so that it is deploying at an accelerated rate those kinds of systems for the modern battlefield whereas we are not.

But we are making progress here as well. I am talking about the XM1 tank, the Leopard II tank, the A10 ground attack aircraft, the F15 and F16 fighters, the AWACS and Nimrod early warning aircraft and so on. We intend to do what we can do to redress the balance on the conventional side.

Finally, when one looks at our strategy of flexible response which requires a capability at all levels—conventional, theatre nuclear and strategic nuclear—the Soviet Union can never be sure that any incursion against the West may not soon escalate into a strategic nuclear exchange. And I cannot believe that any thoughtful, prudent individual who has the interests of his country in mind would run the risk of having that kind of destruction meted out to his country.

What is it that destabilized the theatre nuclear balance? They have had missiles which have threatened Western Europe for the past 20 years.

It is primarily the capability that is represented by the SS20 which the SS4s and SS5s have not had. The SS20 is mobile and, therefore, very difficult to locate. It has three warheads with the possibility of perhaps going to more, whereas the others have only one. The accuracy of its warheads is very great.

Then it has the increased range over the older systems, so it can be located in a part of the Soviet Union where it would have a sanctuary, because we do not have the theatre nuclear weapons that can reach there. So in order to deter the use of those forces, we need to have weapons systems, which the Pershing II missile and the Ground Launched Cruise missile will provide, that can hold weapons systems like the SS20 at risk.

But we must not forget that other key element in Nato's decision not just to modernize its long-range theatre nuclear forces, but also to find the means to negotiate some kind of control over theatre nuclear weapons—to reduce them and reach a balance.

There are major political sensitivities associated with any discussion of the use of chemical weapons. Decisions with respect to the deployment and use of chemical weapons would have to be



taken by political authorities. Having said that, we must look at the Soviet Union.

It is enhancing its offensive capability in chemical weapons and it is also improving its defensive capability against such weapons, just as nuclear weapons are in its mind weapons of mass-destruction, so are chemical weapons. There is no question in my mind that if the military situation dictated the difference between success and failure, it will use them.

What does that mean for the West? It means we must have a defensive capability against its chemical weapons. We have been working very diligently in Allied Command Europe over the past several years trying to improve our defensive capability. What we also need, in my mind, is a retaliatory capability with modern chemical munitions.

Now the West does have a capability to retaliate with a certain number of what I consider obsolescent chemical weapons. I believe that in order to deter in our strategy of flexible response the use of chemical weapons against us, we must modernize our retaliatory capability.

It is for that reason that I am hopeful that the United States will decide to go into production of the binary round.

A binary munition consists of two chemical agents that are harmless when separated, but when mixed after a shell is fired or a bomb is dropped become toxic. Today our chemical weapons are not modern enough in my mind, which increases the likelihood of our reacting in a retaliatory, escalatory manner with theatre nuclear weapons.

The United States is committed to doubling its land forces and tripling its air forces in Europe in case of a contingency but now is earmarking some or all of these forces for possible deployment to the Middle East. Who is to fill the gap?

Well, first there is no gap created until forces are committed. So all those forces are still available to Allied Command Europe until a contingency outside Nato arises and forces are dispatched to meet it. Second, the forces that are being tagged for rapid deployment force will be forces that are not in the package for early deployment to Nato.

But what can the European allies do to assist themselves in maintaining the deterrent? Areas that lend themselves to this are increasing ammunition and war-reserve stock levels, providing additional reserve forces and providing additional sea and air lift to deploy those forces that are in the United States.

They should also look at the maritime situation in the event there is a continuing requirement for United States combat vessels to be deployed in the Indian Ocean. These are some areas where the European allies should look to see what they can do to improve their own capabilities. We should recognize that the United States would be protecting the common vital interests of all the alliance by deploying rapid deployment forces in case of a contingency to an area where those vital interests are located.

We believe we have heard you say that in the absence of neutron warheads the current generation of nuclear weapons can do the job, only with far greater collateral damage. Did we hear you right?

Yes, you did. We have that means in our inventory today. We have the capability to get the same effect from our current generation of warheads. Neutron radiation?

That is correct, but with about 10 times the collateral damage—blast and heat—that we would get if we had the enhanced radiation-reduced blast warhead. To me as a commander, it makes sense that we have it. It can be used by a commander in much closer proximity to his own troops.

The President has directed that we modernize the warhead for our eight-inch howitzers and Lance missiles and there be built into these warheads a capability to insert the appropriate device to make them into enhanced radiation-reduced blast warheads. Whether or not such systems are deployed depends, according to the President, upon the conduct of the Soviet Union.

Probably more important than anything I have said on this subject is that any decision regarding the use and deployment of nuclear weapons in the alliance is the responsibility of our political leaders. They must make the decisions about deployment in the light of their political responsibilities and the political sensitivities associated with them. However, in light of my responsibilities as a senior commander, I would like to see the enhanced radiation-reduced blast warhead developed and deployed in Europe.

One area where Community has done well

Women have won new legal rights

It is not easy in present conditions to make people enthusiastic about European unity. The high ideals of 20 years ago have dimmed in the face of intractable, everyday realities, complex technical problems, tedious procedures, and, not least, the political divisions within the Community. What must the man in the street think when he sees his leaders arguing for months about farm prices and budget contributions while the world is almost going up in flames about their heads? The picture now presented by the European Community is not inspiring and is hardly likely to create converts.

There is, however, one area of the Community's work and responsibilities which we might describe as a pioneering one, and which gives a lead and generates enthusiasm—its efforts to banish from our society discrimination against women.

Strange though it may seem, the Community's efforts in the cause of women were not born of lofty or idealistic motives. They are based on Article 119 of the Rome Treaty, which owes its presence to purely economic considerations. It was included in the treaty at the insistence of France which feared that in the French textile industry in particular, women's wages relative to men's would be higher than in other countries. This, it was feared, would put French

industry at a competitive disadvantage. That we have managed in spite of the rather dubious origin of Article 119, to make it into a policy instrument of positive significance for the legitimate rights of women, is mainly due to the progressive case law developed by the European Court of Justice in Luxembourg.

Before outlining the policy that the Commission and Council are continuing to pursue, in the cause of women's rights, it would perhaps not be amiss to say something about the problem we are aiming to solve. Most of us have only recently become aware of the problem.

Even in the—in our eyes so civilized—society of Western Europe we daily come across forms of discrimination against women in their social and economic rights which are accepted as if they were the most natural things in the world: women, more often than men, occupy unfilled jobs; they are often paid less—in some cases much less—than men; many occupations are regarded quite unjustifiably as male preserves and women are barred from them; the number of women reaching senior positions is negligible; unemployment is hitting women much harder than men. The latest figures give 5 per cent for unemployment among men and 7 per cent among women.

It is likely that the situation is much worse than this gloomy picture would suggest and that many women who would like to work do not register as job-seekers because they think they do not have any chance of finding employment. To combat this situation, in the mid 1970s the Community issued directives for compulsory incorporation in national legislation—which prohibit discrimination against women and enable them to take legal action to end it.

The first directive deals with pay; it provides that men and women shall receive equal pay "for the same work or for work to which equal value is attributed". But the right to equal pay is not sufficient to guarantee women real social and economic equality. There is therefore a further directive providing that women shall be given the same opportunities as men as regards recruitment, vocational training, promotion and other conditions of employment. Women may not be excluded in job advertisements, refused promotion simply because they are women, or dismissed solely for reasons of their sex, and they must be admitted to any training hitherto reserved for boys and men.

A third directive, adopted by the Council of Ministers on the Commission's proposal late in 1978, provides for equal treatment of men and women for social security purposes—a complicated and far-reaching measure which will put an end to many of the firmly rooted, but inexplicable, forms of discrimination in many member states. This will be a complicated and costly operation, which may be the reason why the Council—against the Commission's advice—decided that the directive would not come into force until 1984.

I have referred to the Community's work as pioneering. Why? Because in this area Community legislation represents more than merely deriving a common denominator of the laws applying in the member states. It is ahead of their legislation: early last year the Commission, as the guardian of Community law, established that not one of the nine member states had completely incorporated the equal pay directive into its national legislation.

In a number of states the shortcomings were such that the Commission had to give the governments written notice of its objections. In some instances this led to the national legislation being brought into line; in others, the Commission may now, where necessary, initiate proceedings before the Court of Justice to compel the correct transposition of the directives into national law.

Can we forget the problem now that legislation has been passed? Does the mere existence of legislation mean that discrimination against women has been eliminated from the Community? I am afraid not. The force of practice is still greater than the teaching of the law.

But there has been some progress. Without the pressure exerted by the European Commission, the law in the various member states would not be as far advanced as it is today.

Thanks to these directives, women have gained new rights. Any woman who feels herself discriminated against has solid grounds for taking her case to court. The pity is that this possibility is still too little used. Much more must be done to make women aware of their situation and to give them the confidence necessary if they are to assert their rights.

Last week a conference was held in Manchester to advise the European Commission on new approaches to the Community might take in its campaign for women's rights. I hope especially for useful ideas on how we can achieve the necessary breakthrough for women in the labour market, bearing in mind not only their legal rights, but also their biological right to voluntary pregnancy and motherhood.

After our work on the legislative front, there still remains much to do to strengthen women's position in practice. But an important part of the legal foundations for women's struggle for a better future has at least been laid in the European Community.

Henk Vredeling
Vice-President, European Commission

Facts and figures

US and the Four can beat recession

| previous performance | rate of growth | quality of growth | | maintenance of growth | | |
|----------------------|----------------|-------------------|--------------|-----------------------|---------------|-----------------------------------|
| | | prices | unemployment | productive capacity | foreign trade | vulnerability to external factors |
| excellent ●●●●● | ●●●●● | ●●●●● | ●●●●● | ●●●●● | ●●●●● | ●●●●● |
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| poor ●●●●● | ●●●●● | ●●●●● | ●●●●● | ●●●●● | ●●●●● | ●●●●● |
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With the recession in the United States deepening, as borne out by April's record 1.9 per cent fall in industrial output, questions are being asked how far it can go in comparison to the 1975 recession and what effect it will have on our four European countries.

The answers will be determined by two factors: investment and trade. For although consumption is falling in the United States and threatening in all so in Europe as well, activity is still being maintained on both sides of the Atlantic by capital expenditure and exports, and it is important to keep these going despite flagging demand and rising unemployment, of which the motor industry is providing a very good example.

In West Germany, Herr Otto von Lambsdorff, Federal Minister for Economic Affairs, has recently emphasized that activity is still running at a very satisfactory level, so much so that he is proposing to raise the forecast of the growth in 1980 from 3.5 per cent to 3 per cent. Others received by industry during the first quarter of this year were 5 per cent up on the final quarter of last year, and 8 per cent up in the case of those from abroad.

For his part, Herr Frantz Schöser, director-general of the West German Chambers of Commerce and Industry (DIHT), concludes, on the

basis of a survey carried out among 40 West German chambers of commerce abroad, that the prospects for German exports are good. Of particular interest is his forecast that there will probably not be any world recession affecting all countries simultaneously, as in 1973, and that the slowing-down in the United States will not prevent the continuation of some investment-led expansion in France, Italy and Japan.

This view does not concur exactly with that expressed by Herr Otto Eiser, president of the employers' organization, who doubts that foreign demand can keep the West German economy going at the same pace and that investment can continue to grow during 1980 at the forecast rate of between 6 per cent and 7 per cent, since companies cannot pass on the full amount of price increases and are suffering serious cash flow problems.

In France, the most recent report from the INSEE (national institute for statistical and economic studies) shows that activity should hold up over the coming months and according to the CNPF (employers' organizations) there is no cumulative risk of depression as there was in 1974. There is, however, a sharp contrast between consumers, who are getting worried and spending less, and companies, which are still opti-

mistic and continuing to invest. The recovery in investment, which rose sharply in the second half of last year (+8 per cent), should be consolidated during 1980 (+4.5 per cent).

However, the CNPF's economic spokesman, M. Alain Chevalier, says there is the possibility of a slowdown in the autumn for lack of financial resources if companies are obliged to resort to scarce and costly credit.

The second driving force behind France's growth is represented by exports, which have risen very strongly over recent months (by more than 25 per cent in value terms). However, non-energy imports are rising even more quickly, especially consumer goods and even capital goods, which is paradoxically bad for investment. This is why M. Francois Ceyrac, president of the CNPF, has sent out the message to his members that they must address themselves to the reconquest of the domestic market. That is not a threat to trade because the CNPF is against all recourse to controls.

In Italy activity remains buoyant, with support from a high level of consumption fostered by the moving scale system of wage indexation. During the first quarter, the motor industry's sales on the home market were still good, compared with West Germany

and France, but the same could not be said of exports: Fiat has experienced a fall of over 20 per cent in its sales to Europe and the United States, forcing it to lay off 70 per cent of its workforce for a week.

A threat also hangs over investment, despite the good recovery in 1979 (+6.5 per cent). This is confirmed by the rather pessimistic report published recently by the employers' organization, Cofindustria, which expects the growth in gnp to slow down from 5 per cent in 1979 to 2.8 per cent in 1980, and exports to suffer the effects of the decline in the growth in world demand for manufactures from 8 per cent to 5.5 per cent. This is nevertheless only a relative deterioration, and there is no question of a recession.

In Britain, expansion has evaporated and the authorities have apparently resigned themselves to this. The present situation is the converse of what is happening in West Germany and France, with investment in poor shape and consumption faring relatively better, as may be seen in particular from the increase in motor sales in the first quarter compared with the corresponding period last year.

In this connexion, the most recent survey conducted by the Confederation of British Industry is indicative, showing that the financial difficulties already being experienced by companies are going to get worse. The difficulties of exporting are also becoming worse, whereas imports are rising in many sectors (cars, shoes, for instance), provoking more and more protectionist reactions.

The British Government is thus accepting a serious recession in the hope of doing better in the medium term. This is an extraordinary situation which has prompted the stockbrokers, Phillips and Drew, to question the value of a policy which is aimed at boosting growth and begins by deepening it so severely. The danger

PRICES

average price index

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Middle East dissatisfaction with U S policies

Europe seen as a counterbalance

Zbigniew Brzezinski, an "arc of instability" in the Middle East.

Asia, running from Iran and Afghanistan. Since he has been in office, confusion in the Middle East has deepened, and a sharpened, growing alarm. The atmosphere has been such that Europe itself seems threatened.

any case cannot be a region in its own right. It is more than the oil from Iran, and the Middle East more important to the United States. In many ways, Europe is the victim in the western Asia, though it can do

one of the questions of this April during an Arab League summit in Amman, Jordan, may perhaps call states "and to which has come the all-important outer defences. Not surprisingly, different answers, the geographical viewpoints of those

thing that struck a chord in the minds of the Middle East where people are Europe, in a policy they see it as something rather than it will sometimes quickly about the European role, an rather in the one might speak ally about an oppo-

sition party when strongly dissatisfied with the party in power.

Most people in the Middle East are dissatisfied with one or more aspects of the status quo, or of the direction in which events are developing. At the same time they have an acute feeling of dependence on external forces, and therefore tend to blame those forces for whatever is wrong.

They see that at present the predominant external forces in the area, in terms of political influence, are those of one or both of the superpowers. They therefore blame the superpowers for what they do not like, and cast around for other powers which might be brought in to redress the balance, and to help the peoples of the region to gain greater independence.

That is the role in which Europe tends to be cast—an ironic one when one remembers the part which European powers played in the region in the past, and the extent to which their past actions are still blamed for the region's present ills.

It follows that the greatest interest in Europe is expressed by those who are unhappy with the policies of the United States but reluctant to accept close ties with the Soviet Union; by those who are anxious to maintain good relations with the West, but feel that this would be possible only if the West adopted policies different from those at present followed by the United States.

Consequently the virtues attributed to Europe are often simply the obverse of the vices attributed to America: longer experience and therefore greater knowledge of the area,

greater sensitivity to the feelings and aspirations of its inhabitants. Even Europe's relative weakness is seen as a virtue by some, who argue that cooperation with Europe is easier and safer than with either of the superpowers, since Europe can no longer aspire to impose its domination on the area.

This point of view has been urged with particular vigour by President Bani-Sadr of Iran, some of whose opponents have accused him of encouraging Europe to emerge as a new superpower. Rejecting this notion as manifestly absurd, he argues that Europe is a fellow-sufferer with Iran (though not in the same degree) from American domination; that the Iranian revolution provides an occasion for Europe to break free of this domination; and that Europe could help both Iran and herself by doing so.

Others would regard the idea of a break between Europe and America as neither realistic nor necessarily desirable. They consider American power as an inevitable factor in any Middle Eastern equation, but look to Europe to exercise greater influence over the way that American power is used.

This point of view is particularly popular among the Arabs, who have long been urging Europe to take a more active part in the search for a solution to the Arab-Israeli conflict. In fact, they have been urging it for so long, and with so little visible result, that a certain disillusionment has by now set in.

Hopes have been revived, however, by the recent talk of a European initiative on the Palestinian issue, and by European statements on the "Palestinian" right to self-determination—particularly

those of President Giscard d'Estaing, whose sense of public relations is clearly much stronger than that of his European colleagues.

In Pakistan Europe arouses rather less interest, partly no doubt because it is farther away. Resentment of the United States is very strong there, but with varieties of emphasis. Some people emphasize American failure to help Pakistan to confront external dangers, and these tend to condemn Europe's reaction to the Soviet invasion of Afghanistan as being even more spineless and inadequate than that of America.

Others emphasize America's alleged or real interference in Pakistan's internal affairs, and argue that much of the fuss about Afghanistan is artificial and unnecessary, being designed to strengthen American domination. These regard the European, or at least Franco-German, response to the crisis as more measured and reasonable than that of the United States.

Both can find common ground in saying that "the European line" (by which they mean, rightly or wrongly, the search for a compromise solution recognizing Soviet influence in Afghanistan) is the one that Pakistan will eventually be obliged to take.

In conclusion one may say that for those whose main worry is the decline of American power in face of a growing Soviet threat, Europe has little to offer. But those who attribute their problems either to excessive American power, or to misapplication of American power, continue to hope that Europe will exercise a steadying or diluting influence.

Edward Mortimer



A determined band of Afghan tribesmen ready for action against the Soviet-backed regime.

Viewpoint

Ierzog, former Israeli ambassador to the United Nations, looks at the discussions between Israel and Egypt on autonomy for the Palestinian Arabs

Plan to break deadlock

nt discussions between Israel and Egypt on autonomy for the Palestinian Arabs in the West Bank and Gaza, a process put forward by the support of the United States and the Arab League. This move is in Israel by the public opinion, a good chance of next government is due in 18

ious and historic military against the West Bank to the same degree Gazans seem over have become more and less prone to the of the Palestine Organization. The ad Gazans going to al, but the bulk of labour force goes k in Israel. The PLO to any support of but the indications are than 60 per cent population favours

ited nature of the th its population of e unwillingness to remain under their hatred of the under whom they years and a return rule they fear, and total absorption of y in the Israeli sh join to create a guess on the part of the population to money as a solution, a day-to-day basis carried out today by of departments and transition could be ne. nation in the West more complex. Jordan has not his claim to the and half the memie Jordanian Parliament by the West le occupants all hold citizenship. the previous lines drawn in respect of ie Palestinians and which are popularly broad as a basis for are no longer interesting develop- ing place which is



An Arab walks past shuttered markets in Nablus on the Israeli-occupied West Bank.

creating a new and somewhat fluid situation in the West Bank and reflects the isolation in which the Al Fatah organization, the largest in the PLO led by Mr Yasser Arafat, finds itself in the PLO today.

A coordinating body set up by Jordan and Al Fatah has been endeavouring to influence Arab moves and policy in the West Bank. However, the majority of the mayors in the West Bank support the so-called Rejectionist Front within the PLO which is supported by Libya, Syria and Iraq and which includes all the components of the PLO with the exception of Al Fatah (which is still larger than all the other groups together).

The Rejectionist Front is

violently and unequivocally opposed to the autonomy proposals and indeed to any form of accommodation with Israel. The official statements of both Jordan and Al Fatah also reject any form of accommodation with the autonomy proposals, but the impression one gets is that their problem is how to get themselves off this hook without appearing to compromise on the public positions they have taken.

Another complication is that many of the leaders in the West Bank have suddenly discovered themselves and have come to enjoy the taste of power and leadership which has emerged as a result of their struggle with the Israeli authorities. It has dawned on them that they seem to be doing quite well on their own and could conceivably manage without the support of the organizations in Beirut. Many of the leaders who have been elected

by popular vote, thanks to the elections authorized by the Israeli military Government, have suddenly reached the conclusion that they are perhaps more valid leaders of the Palestinian people than the émigrés in Beirut.

After all, they maintain, they have remained in the front line and have led their people. This one can already sense a growing feeling of local patriotism which could indicate that the experience of Algeria with the subsequent struggle between those who were outside and those who were inside may well be repeated in the West Bank.

All of these considerations prove that as far as autonomy is concerned the picture is a very involved and confused one that there is no agreed Arab approval, and that any attempt to reach conclusions on the basis of what is apparently evident on the surface must be misleading.

On the contrary

Advice from Dr Spock

stage of development there may well be y in maintaining equilibrium or "broad" as it has been called. This may involve le or two, but is quite normal and no r alarm.

ype of imbalance may be due to loss of a, particularly for surplus milk or sugar. 2 best remedy this by cutting down on and helping your budget too. But the 1 may be psychological as well as diete newcomer to a club or gang, even in age-range, may feel insecure, and too concerned with "fair shares".

can lead to irritability, aggressiveness, trisms on both sides. "Contrariness"

on the part of the peer-group is often the natural response to jealousy or threats, ending in mutual accusations of meanness, laziness or greed.

At this point, you should play it cool. Quiet talking, a strict timerable, and firm but gentle discipline should help achieve a more "out-going" atmosphere. The man of the house may have an important role to play. But if hyperactivity continues, with crying, nail-biting and a tendency to drop or throw things, the temperature should be carefully watched. If it remains high, seek professional help. This could be an emergency calling for institutional care.

Pangloss

Jacqueline Grapin on Euro-Arab talks

It takes two to make a dialogue

A Euro-Arab dialogue, on whatever plane, can be expected to have real influence on events only if it is wanted not only by Europe, but also by the Arab countries. The Club of Rome seems to have grasped this. It is a forum for consideration of today's international social trends, and it is now proposing to examine "the ways and means of cooperation between Western Europe and the Arab world in a world of interdependence" on the basis of a report proposed by its own Arab group presided over by Dr Malek Basbous and drafted by a team of leading Europeans and Arabs headed by M. Jacques Lesourne and M. Maurice Guérin.

A conference attended by delegates from the countries concerned is to be held in Athens at the coming weekend to examine the possibilities of promoting an activity which has hitherto suffered too often from being discussed either in an exclusively political framework or in the context of partial confrontations of vested interests.

The proposals to be discussed include the setting-up of a foundation to mount an information campaign aimed at public opinion (which receives too much incitement to antagonism on both sides) and influential circles; the formation of joint ventures to promote industry and qualified manpower; the foundation of a food and agriculture bank; the establishment of specific financing systems modelled on the ADELA organization which operates in Latin America; the development of cooperation on research, production and distribution of television broadcasts and so on.

The foundation would be the catalyst for all these activities. In addition, governments would be encouraged to conclude agreements which could take the form of solidarity treaties along the lines of the Treaty of Rome. The example of the Lomé II agreements on relations between Europe and Africa is also regarded as a good starting point.

The most important point to be established is that oil cannot be made the motor of the cooperation system, although it can be one of its vital components since it makes for two-way exchange. The Arab world is faced with many challenges. The oil-producing countries' reserves will probably be all but exhausted within 30 years or so. Will they be able to use the wealth acquired over this short period as a launching-pad for their future development?

At present the average real gross national product of the Arab countries, excluding oil revenues, which are in fact a way of spending their capital, is only about \$584 per capita (one twelfth of the average for the industrialized countries). Industrialization (not by building magnificent steelworks in absurd locations or by setting up uneconomic fertilizer plants) is becoming a matter of urgency.

The socio-political structure in the region is disturbing. As a general pattern, each oil-producing (and for the time being rich) country is bordered by two non-producing ("underdeveloped") countries. An explosive configuration. Agriculture is still the main sector of the economy in sev-



A farmer in Saudi Arabia.

eral Arab countries and it is even the main source of foreign currency for six of them. However, agriculture's contribution to gnp (between 5 per cent and 12 per cent) bears no relation to the proportion of the working population which it employs.

Food self-sufficiency rates in the region have been falling steadily, given the increase in the population over the past 20 years, and it is estimated that between 20 million and 30 million people could suffer from malnutrition in Arabia in the years ahead. Security of food supplies will remain the gravest problem in this region during the next 20 years, and even more so during the next century.

Most of the problems confronting Europe—security of oil supplies, agriculture surplus, and the need to find outlets for its products, technology and skill and knowledge, are the exact converse of those of the Arab world, so that mutually beneficial solutions could be found. What advantage is there for Europe in standing by while, on its doorstep, a growing population of millions suffers hunger in a state of rebellion against its lot? A realistic objective could be the doubling of average per capita income in the Arab countries as a whole, from \$1,100 to \$2,200 over the period 1976-2000. This would raise the region's overall revenue from \$151,000m to \$590,000m. Assuming oil revenues of \$300,000m by the end of the period, non-oil revenues would have to rise from \$84,000m to \$290,000m, which would require a growth rate of some 5.5 per cent.

Three essential conditions would have to be fulfilled in order to achieve this. The first would be a process of "psychological updating". As stated in the report which will serve as the basis for the Athens conference: "The Arab world is nostalgic for its past glory which dates back over 2,000 years and it is psychologically and culturally immobilized, excluded from modern developments and suffering from a profound feeling of alienation. Under the tension caused by a war which is sapping all its energies, the Arab people has already lost 25 years in the race to achieve development, which is its only chance of survival. . . . And it has only 50 years in which to make up the leeway."

The second condition for the success of cooperation with

Europe is a matter of internal policy. Since only six Arab countries out of 12 have the geological good fortune to possess oil resources, the creation of a real Arab economic community is the only way to put an end to the "economically absurd and politically explosive" multi-decker sandwich of super-rich and super-poor countries.

The third condition is a considerable fund of general goodwill. Japan is concentrating most of its efforts in the Pacific. The United States and the Soviet Union fill nearly all the countries concerned with great distrust, for essentially political and military reasons. This leaves Europe, the hub of world trade, its political and military ambitions cannot impinge too greatly on its economic activity because it lacks the necessary resources. But how far can it go with other ambitions?

The vital question, apart from the good intentions of either side, is whether the great powers, which will not be taken in by any manoeuvre and which have at least a foothold in the countries concerned, will allow such a movement to develop or sabotage it.

The most dangerous factor in the Athens conference is undoubtedly the table showing projections of GNP for the various regions of the world. These suggest that were Europe (which will represent between 16 per cent and 21 per cent of the world's total by the year 2000) to combine with North Africa and the Middle East (5 per cent to 6 per cent) and black Africa (1 per cent to 2 per cent), with which it has already created closer ties, the total would be between 27 per cent and 28 per cent of the worldwide gross product, compared with only 20 per cent to 24 per cent for the United States; between 18 per cent and 20 per cent for Russia and East Europe, about 20 per cent for Asia and 11 per cent for Latin America. Some easy sums are more complicated than others.

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Conference industry is big business

Fourteen thousand overnight stays are on the schedule when 500 printers from the United States visit the Printing and Paper Fair (Drupa) to be held in Düsseldorf in about two years' time. They will have a non-stop programme of conferences, symposiums and seminars all over West Germany. The cost of demipension accommodation alone will amount to about £500,000.

This is the kind of booking which all those concerned with the conference side of tourist organisation dream about, not only in big centres such as Paris, Berlin and London, Rome and Brussels, New York and Geneva, but in such comparatively small provincial towns as Osnabrück and Blackpool. They are also the dream of many a lord mayor or maire or oberbürgermeister. For conference visitors are the most sought-after of all travellers.

Top-grade conferences and seminars are attended by people prominent in politics, economics, the arts and the sciences; and that brings a certain amount of prestige to the host city. And conference visitors are big spenders, more so at least than the average business traveller, holiday-maker or spa visitor.

Over the past 20 or 30 years conference travel has developed into what is an important service industry, far bigger and more flourishing than anyone could have foreseen. Although it is not known precisely how many people are attending how many conferences on any one day across the world, there are some fairly precise figures available on the spending pattern.

According to official figures, 220,000 visitors attended international conferences in Berlin in 1978, and spent DM266m there. The new Berlin International conference centre (ICC) has reported that in its first 12 months it attracted nearly DM100m to the city, despite initial troubles with the controversial conference building.

Another set of statistics from Berlin shows that each conference participant spends on himself and his escort DM204 a day, of which 34 per cent goes on hotel room and breakfast, 27 per cent on other meals and entertainment, 17 per cent on retail purchases and the remainder on taxis, telephone calls and miscellaneous. The average time spent in the city on conference activities is 4.8 days, and some time is

spent there either before or after the conference.

Berlin statisticians have also acquired new information on the spending patterns of different categories of conference visitors. Those attending conferences dealing primarily with economic subjects spent, on average, DM377 a day. The average expenditure by visitors to medical conferences was DM206 a day, and that by those attending scientific events at all branches only DM166 a day. Conference organisers also helped to swell the city's income, spending DM83 a day for each participant, in consultancy fees, room hire and other service charges, and in fees for interpreters and hostesses.

The figures for Berlin should be valid for the conference business as a whole. The money is rolling in. But on the other hand no new top-class conference building could exist without subsidies.

For a long time there has been no lack of conference buildings in the highly industrialised countries. Competition is consequently all the stronger. Nowadays, if a municipal authority wants to attract an industrial conference to its city, it has to work hard for it. Conferences on fresh subjects are always being planned, and there are any number of mobile events, conferences which are held in a different place each year. But a good many are always held in the same city, and new conference cities have little chance of capturing this business.

It is not enough to have a suitable conference hall, however splendid. Everything must be just right, from the choice of hotels to an international airport, from first-class leisure activities to night life. A city which cannot offer all of these has to be content with staging small, sometimes very small, national or even only local conferences.

No city new to the business can hope to get the big events, especially as in the well-established conference cities the mere mention of the word "conference" is enough to make the impossible suddenly possible. The door is opened to civic receptions, where wine and cheese are offered as freely as beer and sausages elsewhere. In some cities stacks of theatre and concert tickets, which otherwise would all have been sold out, are reserved for conference visitors and offered at reduced

prices. The list of "small favours" is endless. For there is nothing that embarrases city fathers more than an expensive conference building standing empty.

For some years there has been little mention of profitability, but rather of indirect returns. The spending power of visitors is used as a counter-argument to the fact that conference halls are, in the strict economic sense, misinvestments. Plans for new complexes in Paris and London were held up for years before the question of cost absorption was resolved. But cities are prepared to accept the need for subsidy payments so that they can ornament themselves with the title: "conference city". Only later is it realized that in the conference business there is a need for good specialist organizers.

It has been estimated that over the next five years 40 new conference buildings will be completed in France and 65 in West Germany.

In these circumstances, a first-class conference organization is more important than ever. With conferences as high as they are, nobody is going to be forbearing if a microphone suddenly goes dead, or a meal is served cold.

What is the explanation for the phenomenon of conference travel? Its origins are understandable enough: they go back to the time after the Second World War when expansion in the volume of international trade made increased communication across frontiers essential. The trend was further encouraged with the formation of large numbers of multinational companies; and politicians (with their civil servants) showed a propensity for getting together at conferences. The jet aircraft made possible this growth in person-to-person communication.

It is debatable whether all this is strictly necessary, in view of up-to-date communications technologies and the computer. But might it not be true that the technique of the personal meeting, which is an increasingly inescapable accompaniment for our professional and private lives, is giving a fresh impulse to conferences and seminars?

The future will tell. Meanwhile, nobody needs to worry that his conference may not come off, for lack of suitable facilities.

Werner Jaspart

Trompe l'oeil

The fourth article in this series on economic misconceptions looks at misleading holiday statistics

Italian tourist boom not all it seems

Italian statistics for tourism have shown, over the past few years, an almost frenzied growth: the surplus on the tourist trade balance has more than quintupled in just five years, from 1,000,000 lire in 1975 to 5,550,000 lire in 1979. If we look also at the figure for revenue from foreign tourists we find a similar trend, though the growth is less fierce: 1,700,000 lire revenue in 1975, and 6,800,000 lire in 1979.

In 1975 much of the money spent by foreign tourists never found its way into the foreign currency receipts of the Bank of Italy, because foreigners obtained their lire from Italians operating on the "parallel" market, who offered favourable exchange rates because they wanted to invest clandestinely abroad, and in foreign currency.

Today, foreigners in Italy often pay in foreign currency, having exhausted their stock of Italian banknotes obtained through official channels. But they lose by doing so, and this traffic therefore is not so large as it was. Visitors therefore acquire foreign currency in this way they generally take it to the bank, instead of putting it to clandestine use; this is because there is no longer a question mark over the fate of the lire and the national economy.

None the less, the present figures do understate the position. You still find people who pay Italians in foreign currency, and Italians who then use it for their own purchases and trips abroad, as there are still severe currency restrictions and tax hazards.

Undoubtedly, international tourism has been expanding fast over the past 30 years. In 1950, 25 million tourists crossed the frontiers for the main tourist countries, while in 1978 the figure was 263 million.

Let us not, however, exaggerate, and take this figure too literally. The figures are almost accurate for those arriving by air, coach or sea; but they are inaccurate as regards arrivals by train, private car or motorcycle. For these categories estimates are made by the frontier police and the rail companies.

Moreover, visits for very brief stays are one thing, and touring holidays are another. But how are the so-called excursionists—or day trippers—to be distinguished from the tourists classes as *stanziali*, who occupy a room for at least one



Francesco Forte Young people enjoy time off in Amalfi; but are they there just for the day?

The Times Awards 1980



The Times Awards for the best advertisement of a company's results have aroused considerable interest since their introduction in 1974.

The categories in which awards will be made are listed here.

The conditions of entry remain unchanged.

The awards will follow the established pattern, namely:

- The Grand Prix, to be held for one year awarded to the entrant whose advertisement is, in the opinion of the judges, the best submitted, irrespective of category. The Grand Prix consists of a silver trophy, specially designed for The Times by Gordon Hodgson.
- First, second and third prizes for category winners. First prize is a beautiful sterling silver clock, based on The Times motif. Second and third placings each receive a commemorative silver medallion. All category awards will be made to both the winning advertiser and agent.

The Panel of Judges. The awards will be made by an independent panel of judges, selected for

their understanding of this specialised form of communication.

They will judge entries in accordance with the following criteria. An advertisement of a company's results, whether the Chairman's statement is or is not included in full or in abridged form, should:

- Attract the eye, by virtue of its design.
- Be easy to read, by use of skilful typography.
- Contain such information as prospective investors or professional advisers are likely to require, including details of the business carried on by the company.
- Include, at the option of the advertiser, such illustrations, graphs, or diagrams as may be necessary to supplement (c) above.
- Leave the reader with the impression that the company concerned would be a good one to do business with, to work for, or to invest in.

Note: In the case of the categories 'Interim Results' and 'Preliminary Results' only criteria (a) to (d) will apply.

Conditions of Entry

All entries are free, but must have appeared in the pages of The Times Business News during 1980.

The following are the categories in which awards will be made:

- Annual Results.
 - Colour or black and white. Half page or larger, or equivalent.
 - Colour or black and white. Less than half page or equivalent.
- Interim Results. Colour or black and white. (All sizes.)
- Preliminary Results. Colour or black and white. (All sizes.)

The Judges will have the option of making at their absolute discretion, special awards the following.

*The best advertisement by an overseas company.

*The best advertisement smaller than 20 cms x 4 cols.

*The advertisement which makes the most significant contribution to new and imaginative thinking in financial advertising (without necessarily satisfying all the criteria for the Grand Prix or Category Winners).

Presentation of the awards will be made early in 1981 and entries will be accepted up until December 31st 1980. They should take the form of art pulls of the same size in which they actually appeared in The Times, mounted on board, with a clear indication of the category in which they are to be judged.

Six unmounted art pulls should also be provided for the use of the award judges.

They should be sent to: A. Tollworth, Financial Advertisement Director, The Times Awards, The Times, Printing House Square, Gray's Inn Road, London WC1X 8EZ. Tel: 01-837 1234, Ext. 7696.

THE TIMES
BUSINESS NEWS

at the Brussels agreement accepted by the British though not yet by the German, the process by which it was reached can be seen in full. And pretty bad it was in fact, as a way of conducting business it could hardly be improved. After all, the problem was British contributions to the Community seen as far back as the negotiations of 1970-71. Mrs. Thatcher handed Britain a letter stating that "should the present Community enlarged Community, the rival of the Community demand that the institution of equitable solutions" were prescient words, for the Community had to be taken to the brink of destruction before a solution was found. At the issue had not been raised from view during the transitional phase of British membership in 1974-75, during the Government's re-negotiation of the financial mechanism was agreed under which a member could receive a partial exemption of excessive contributions. The fact that this did not become a serious public issue until the long-expected Community doorstop in 1979, when the Commission was asked to prepare a paper on the subject. It was then that Britain's net budget contribution had risen from £100 million in 1976 to £625m in 1978 to £780m in 1979, and was expected to reach £1,100m in 1980. At that point the alarm started ringing, public was alerted, and Mrs. Thatcher went into battle, when she countered the first derivative of £350m at the Dublin summit last December.

Then it has been warfare, and nobody emerges. Mrs. Thatcher's tone is strident, her tactics poor. She recognized her partners and stirred up British opinion against the Community in a way that was neither wise nor necessary. But the essential justice of her case should have been more quickly obvious to her partners. They were slow to take her seriously. Had they been quicker, compromise could have been reached earlier and more amicably, with less damage to public confidence in the Community. There must be a better way.

That said, the compromise agreement itself is reasonable. The welter of conflicting figures used in argument can be explained partly by the fact that slightly different exchange rates are used in London and Brussels, partly by the fact that calculations are based on estimates by the Commission of future contributions, which may prove erroneous, and partly by the fact that some people have been feeding into the equation the higher farm prices agreed at Brussels and the estimated annual benefit of £100m a year from the new agreement on sheepmeat. However, the principles of the agreement are clear enough, and the Government's figures must be the basis of discussion for the time being.

The principle is that there is a ceiling on British contributions for 1980 and 1981 but there is also a trapdoor in the ceiling with a cushion behind it. Using the Government's figures the ceiling is £370m for 1980 and £440m for 1981, but if the Commission's estimates are exceeded the trapdoor opens and British contributions rise through the ceiling to meet a cushion provided by a risk-sharing formula. This obliges Britain to pay a quarter of any excess in 1980 and somewhat more on a sliding scale in 1981. This is not at all bad even though it is not what Mrs. Thatcher demanded at the outset and is balanced by the slightly higher food prices which will follow from higher farm

Mr Begin is working his way towards withdrawal from the West Bank. On the contrary, his Government is actively pressing ahead with Jewish settlement there. Its soldiers and officials have been generously cooperating with the settlers' movement, Gush Emunim; and while Arab violence against the settlers is immediately met with draconian collective punishments and administrative deportation of local leaders, without even the shadow of legal process, violence by the settlers against Arabs—an increasingly common phenomenon in recent months—is not followed by any convincing effort to apprehend or punish the culprits.

In these circumstances it is not surprising that the Arabs hold the government responsible for acts of violence against them, just as it is not surprising that United Nations forces in Lebanon hold Israel responsible for the constant harassment to which they are subjected by Major Haddad's troops, given the abundant logistical support which the latter receive from Israel and the frequently visible presence of Israeli soldiers in the area. The Israeli ambassador, in a letter on this page, attacks our Middle East correspondent for reporting what some United Nations soldiers have come to suspect about Israeli activities and intentions. Yet he did not report these things as fact, and it is surely something worthy of report that such attitudes have come to be common within the peacekeeping force, even among soldiers from nations well known for any sort of hostility to Israel.

Both on the West Bank and in Lebanon Israel has ample opportunity to improve her reputation by pursuing different policies. In Lebanon she could withdraw

Jack Ashley, CH, MP for Trent, South (Labour) and N Hamman, MP for Exeter (Liberal)

e All Party Disablement is anxious to preserve the Chronically Sick and the Persons Act 1970 (CSDP) is concerned at the way certain agencies are making their spending.

CSDP Act required localities to find out the number of people in the area, their needs and provide for services such as help, meals on wheels, adaptations to homes, and holidays. It is these social services which help people and their families independent living within the community rather than being into residential homes or were often at greater cost with additional suffering through deinstitutionalization.

1970 disabled people have been dealt because of the Act. Today we have a much more "open" disabled—open both in physical accessibility and the change in attitude towards disabled people. They have greater independence of improvements in their conditions and quality of life specially designed housing, personal aids, transport and improved public buildings, and, just to mention the psychosocial that comes when these are seen as rights and not charity.

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However, right from the start there have been problems with the working of the CSDP Act. The biggest problem, which continues in the wide variation between local authorities in the provision of services so that, to a large extent, the quality of life of a disabled person depends on "geographical luck". In the present economic situation this problem is becoming worse.

The Government has called for a 3.32 per cent overall reduction in public expenditure for 1981-82, of which 96.5 per cent, £9 million, will be cut from the personal social services. The Government ministers have asked local authorities to protect services to the elderly and disabled but the surveys of the Association of Directors of Social Services show that these services are suffering from the cuts to a greater extent than services in other areas. Home helps, aids and aids to daily living are easy targets for quick savings whilst increased charges add an extra burden to elderly and disabled people already hit by the general rise in prices, VAT, fuel and transport.

There may be divisions of opinion amongst members of the APDG about the Government's overall economic policy, but all agree that the Government under the CSDP Act must be protected. For many years the APDG has argued that there should be a specific allocation within the State Support Grant for spending on the elderly and disabled and that the Government should ensure that local authorities fully carry out their responsibilities to these people.

For these reasons the APDG supports the Act Now Campaign to amend the CSDP Act which is orga-

From the Subdean of Lincoln

Sir, When Chief Minister Walter Lini brought his delegation to Lincoln in March it was clear then that the deterioration of the situation in Santo and Tanna continued. In Port Vila in the middle of February, I heard Father Lini in the House of Assembly tell of the frustrations his government experienced with the paralysis in maintaining law and order in Santo which resulted from the mutual distrust between French and British administrations. However, there are several aspects to the situation.

First, Jimmy Stephens is not a new phenomenon. Since my first visit to the New Hebrides in 1973 he has been shaking spears and raising flags of one kind and another. That group is one kind and another. And that group is stirring trouble in the waters of peace is not a surprise. What remains incomprehensible is the hardly unwitting compact for chaos that the French and British appear to have made.

Secondly, the French have made it time by the French that the time is not ripe for independence can only be interpreted as a symptom of the kind of collusion with the Stephens faction which moves patient men and women to a point of no return. It is not enough to say that the British and French tensions in the New Hebrides are a veneer for much longer standing rivalries, and ought not to be allowed to confuse the issue much longer. If, as in Papua New Guinea, Lini's government after independence is to be a mixture of the provincial texture of administration, that will be a policy of their making.

Thirdly, Britain has agreed to a budgetary and aid programme which does not meet the highest expectations of the New Hebrideans. Nevertheless, the time for

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Sus' law arrests
From Police Sergeant Peter
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This area of the law is more com-
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I am in the unenviable position of
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am, Sir,
ours etc.

PETER MACLEOD,
8 Portland Road,
West Bridgford,
Nottingham.

Doctors' pay award

from Dr P. B. C. Matthews, FRS

Sir, Lord Taylor (May 30) un-
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The highest consultant salaries
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My organization was asked by the I.A. to prepare a report on the subject. Peter Calvocoressi was commissioned to do this and did a magnificent job. The Swedish pub-

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Sir, In the climate of continuous euphoria since the Iranian Embassy siege, now encouraged by last week's outpouring of "quickee" books, one has hesitated to raise awkward questions. However, this letter is prompted by sight of an offering from William Safire in the *New York Times* of 11 June 1981, in which he asked "Why no probe of that US Rescue raid flon?" May one ask the same question of London's rescue-raid triumph? The real and unanswered question was touched on by John Le Carré in an article in the Sunday press (*The Observer*) of June 7, asking whether it was necessary for SAS to be there in at all. Le Carré makes the point surely worth further investigation even at this late date. Why did the police tactic fail? What turned negotiations sour?

Are we not, all of us, concerned with the possibility of reaction to any future terrorist attempts? Many who spend a good deal of time visiting Arab and Third World embassies would dislike being trapped inside without some assurance that the Royal British would be exhaustively and imaginatively explored before Mrs Thatcher again OKs the sending in of the SAS. The point is of some concern to the 112 diplomatic staff of the Royal British of Kensington and Chelsea, plus their neighbours, and the taxpayer who must face the bill in any future destruction of property.

Many suggestions were made to the police during the Iranian siege. Some of these were doubtless ignored because the police, one believes, knew their work. But one suggestion came at the instance of a small group of Arab, British and American journalists. The feeling was that they were in the wrong men's aim. Funds were organized so that a full page advertisement stating the case of the Arabised nationalists could be published

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From Mr Michael Shaw, MP for
Scarborough (Conservative)

Sir, I read with interest the correspondence which your columns about the secondary action.

Both Mr Campbell (May 27) and Dr Napier (May 28) deal in expert terms with what might or might not be allowed at the margin. What will be clear to them, but may not be so well known to most laymen, is the very large degree of secondary action which could certainly be taken if it were not for the provisions of the Employment Bill which became law.

If any firm with which I happened to have a contract for the supply of goods or services had a dispute with its workers, then, although I had no dispute with my own workers, nor did they wish to, they could be organized to make trouble against me (which could consist of striking, or picketing) for the specific purpose of preventing or disrupting the performance of my contract with the employer in dispute—and I should not be able to pursue my common law rights to protect either myself or my employees, however damages were claimed to either or both of us that action might be.

Of course, it is even more alarming that, as Mr Campbell asserts, Dr Napier does not deny and the TUC working paper appears to recognize, even more remote parties could also find themselves deprived of the right to sue (whatsoever the damage they suffered), provided the action was organized so as to bring it within the terms of the clause.

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First, he writes, "As popular religion, without explanation, the Gospel has been the easiest way to merely escape the charge of anti-Semitism." While we may recognize, or example, that Mark's account has its difficulties we may hesitate to say that it is "anti-semitic".

Secondly, can we speak loosely of the Gospel in this matter? In this connection Mr Longley quotes, "His blood be upon our heads and our children's", which occurs only in Matthew (xxviii. 25), Mark and Luke. The reference to the Gospel we may infer that he has Matthew principally in mind. This is important.

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From the Ambassador of Israel: "Sir, I have for some days now received your growing daily news. Robert Fisk's writing on the situation in South Lebanon. Rarely have I read anywhere so tendentious a piece of journalism. For purposes of brevity I shall limit myself to Mr. Fisk's most recent contribution in *The Times* of May 30 "The major who makes life a misery for the UN". Towards the end of his piece Mr. Fisk writes: "Other United Nations officers take a darker view [of Israeli intentions with regard to southern Lebanon]. They recall that in 1919 peace conferences the United Nations state almost as far north as the Lebanese city of Sidon. They believe the Israelis want instability in Southern Lebanon and there is a theory current in United Nations headquarters that the Israeli army's Northern Command would like to occupy Southern Lebanon."

It is beyond my understanding how a paper such as *The Times* could permit itself to lend its auspices to such a collection of malicious insinuations. And it is with the deepest regret that I find myself compelled to consider the following possibilities; either *The Times* is a newspaper capable of serving as a vehicle for barrackroom gossip or else that, when it comes to all things Israeli, *The Times* harbours at least as dark a purpose as it attributes to Israel and in the furtherance of which it will miss no opportunity to tarnish and besmirch almost every Israeli in Israel.

How else, may I say of you and your readers, is one to interpret the manner in which *The Times* has been fit to repeat in print a piece of hysterical historical nonsense picked up in a United Nations barrack in South Lebanon, when there is not the slightest evidence of its veracity?

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From the Ambassador of Israel: "Sir, I have for some days now received your growing daily news. Robert Fisk's writing on the situation in South Lebanon. Rarely have I read anywhere so tendentious a piece of journalism. For purposes of brevity I shall limit myself to Mr. Fisk's most recent contribution in *The Times* of May 30 "The major who makes life a misery for the UN". Towards the end of his piece Mr. Fisk writes: "Other United Nations officers take a darker view [of Israeli intentions with regard to southern Lebanon]. They recall that in 1919 peace conferences the United Nations state almost as far north as the Lebanese city of Sidon. They believe the Israelis want instability in Southern Lebanon and there is a theory current in United Nations headquarters that the Israeli army's Northern Command would like to occupy Southern Lebanon."

It is beyond my understanding how a paper such as *The Times* could permit itself to lend its auspices to such a collection of malicious insinuations. And it is with the deepest regret that I find myself compelled to consider the following possibilities; either *The Times* is a newspaper capable of serving as a vehicle for barrackroom gossip or else that, when it comes to all things Israeli, *The Times* harbours at least as dark a purpose as it attributes to Israel and in the furtherance of which it will miss no opportunity to tarnish and besmirch almost every Israeli in Israel.

How else, may I say of you and your readers, is one to interpret the manner in which *The Times* has been fit to repeat in print a piece of hysterical historical nonsense picked up in a United Nations barrack in South Lebanon, when there is not the slightest evidence of its veracity?

It is this, that *The Times* nor-

Your correspondent's journalistic excesses assume truly remarkable proportions with the insinuation which *The Times* endorses by the mere repetition of it, of Israeli complicity in the recent murder of two Israeli soldiers by revenge-seeking Shin villagers. To quote Mr Fisk: "a few Israeli soldiers also nurse the terrible but unproved suspicion that Israeli troops were present when two Israeli soldiers of the United Nations force were murdered last month."

"Terrible suspicion" indeed, but even Mr Fisk conceded that it is unproven. And if so, I must most emphatically ask *The Times*, and its readers: how could *The Times* give credence to such a charge without providing the slightest proof or evidence for it, other than barrack-room gossip? If *The Times* has no such proof then let it retract this vicious insinuation. If it has any such evidence then let it produce it, just as it would have been required to do by any British court of law.

At the end of his article Mr Fisk writes: "If even a fraction of all this mistrust is justified, then Unilever must be deemed as its mautade." To paraphrase Mr Fisk, I may I conclude by saying that "if even a fraction of this mistrust" of Israel, consistently demonstrated by *The Times* now for months on end is unjustified, then I fear that it is *The Times* which is "doomed" as an objective and responsible paper deserving even a fraction of the respect to which it presumes.

Yours sincerely,
SHELOMO ARGOV,
2 Palace Green, W8.
May 31.

Milestones in Europe

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Britain was welcomed into the Community in 1972 particularly because it was expected that we would bring into the councils of Europe our friends in Europe with our extensive experience and worldwide contacts which would supplement the proven success of the economic Community. So far we have disappointed our friends in Europe with our hesitancy and uncertainty about our European future.

Now that the financial burden of our membership and our moral obligation to New Zealand are respected, it is our duty, in return, to demonstrate our enthusiasm and leadership in working with the Community to create a united Europe that is able to provide its own people with a secure, confident and challenging future and play a full part in helping less fortunate nations develop their economies and the quality of life of their people.

This surely is the ideal behind the generous settlement accorded to our partners in the European Community.

Yours faithfully,
FRANK PATON,
Newcombe House,
Enmore,
Bridgewater,
Somerset.
June 2.

Creeping socialism

From Mr B. H. Farmer

Sir, Sir Keith Joseph is reported as having referred to "the bindweed of state power". But Edward de Bono's *Wayside* and *Woodland* blossoms tell us that the bindweed (*Convolvulus arvensis*) not only has perennial roots and fragrant flowers but is "a careful, crafty plant".

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St John's College,
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Fashion

by
Prudence Glynn

anxious as always to report what people actually wearing as well as the batty and unaffordable ce of fashion, I repaired recently to a fashion show by Debenhams for the wives of chartered accountants my motives were mixed.

I wanted to see what Debenhams deemed appropriate for the wives of chartered accountants might be to be wearing, then I wanted to find out what the ought they ought to be wearing and thirdly to test is that dress is purely a reflection of the society ears it.

ual, I shall begin at the end of this preamble. loes still exist a strong need for conformity. ng on your rank in the company. It is clear what it or might not wear. I actually thought that if the ny accountant were too smart I might suspect that and was fiddling the books, or overcharging me services. It is therefore obviously important for to strike the right note. Did the wives mind? Not ictly charming ones I sat with.

ins of deliberate emancipation, a very sure know- what was required for what, and just what they pared to pay. You do still need a hat it seems, for occasions, so now is the moment to reissue my advice on headgear. Hats this year, particularly e Races in the middle of the month. The crown is very shallow, the brim three inches wide, the gentle tilt, as worn by Princess Marina in 1936. ou really are going to wear them often, do not lot of money. There are charming hats about at £10, but the whole secret of making them look e is to take them home and immediately remove esome trimmings.

r is always more chic, understatement and the hardest to achieve. On no account ever have de from the same material as your dress.

re a Big Company wife and £75 was my going price ening dress to grace an occasion without causing a spashetti and margarine in the household or a w with *pater familias* I know what I would choose. ig by Jean Allen. Lovely Jean, in business now ars, and turning our smashing, flattering frocks ll all over the country at just about that price. er new daywear, too, particularly the more dressy r late day or special occasions. I think that I have d recognizable value before. Well, here it is again.

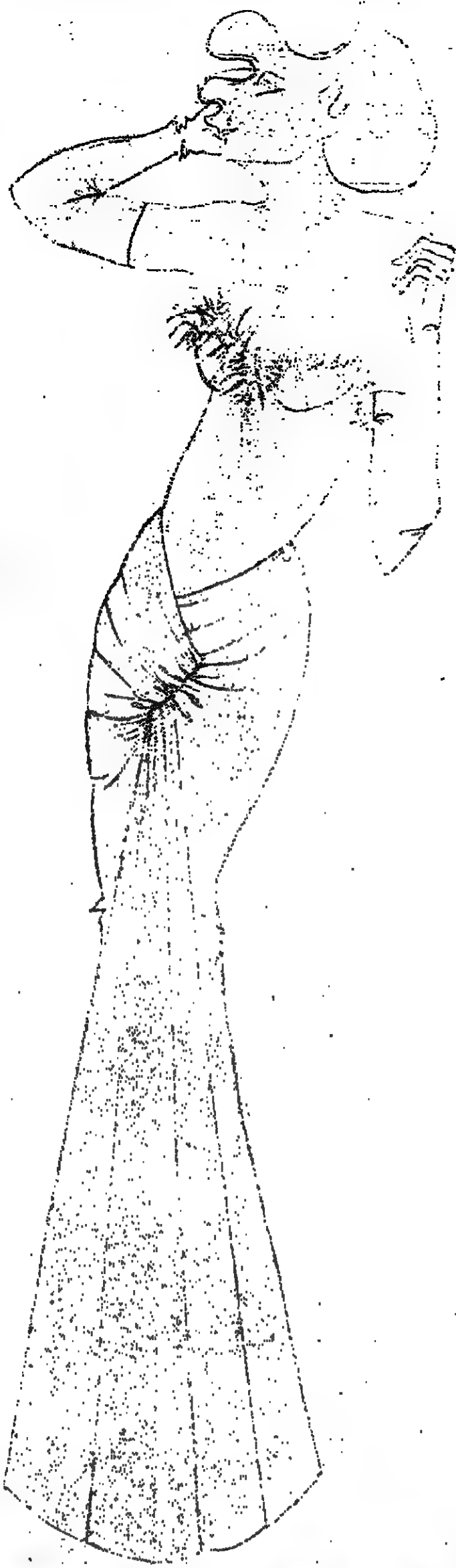
This is the time of year when hearts beat high and prospects beat low for the all-too-many students exiting the design schools. Passionate as ever about our talent, our originality, our unique contribution for the saturated world market of fashion, I have begun my tour of the end of year showings with Liverpool Polytechnic.

Textile development being now crucial to the survival of the industry, I equally commend Esther Woodmansterne for a most imaginative use of latex. She drops blobs of the stuff on to knitting, multicoloured, looking like a combination of scaling wax and gum drops. Stephanie Ward makes the most marvellous knit designs, on the diagonal with ravishing bits of cobweb-gap to show just a slight suggestion of sheerness — with his usual wisdom, Christopher England of Jonathan Thorp has nabbed her.

Then there is Carole Anne Courtney doing Rhinemaiden ombre prints and adding bits of shell to get the effect right, fandangos fun by Heidi Kure with a great use of Pittards glove leather, magic knits, which is what the American market seeks from us by Mari- anne Sandhu. And then there is Sandra Thornton, the Jacques Fath of 1980 making the most stunning, naughty, sexy black dresses.

Oh what an uplift. Perhaps the British textile industry will survive after all.

Right: Sandra Thornton's soft crepe dress, with strapless bodice and marabou trimmed top.



Mini, midi, maximo, get it wrong and out you go. Or do you any longer? While the hot-house goings-on were proceeding in Paris, I thought it might be a good idea to picture what that bastion of chic and mystique in terms of style is wearing. The photographs speak for themselves. All English and American inhibitions should be dumped at once for the true fact is that the Parisiennes are no better (nor no worse) dressed than all the rest of us. They, too, are confused by length, baffled by bulk and on the whole seem to have opted for wear what you like and to hedges with St Laurent. The sole common denominator, I could see, was the high-heeled shoes. Wear them with trousers, minis, maxis, midis, but the pointed toe and the parquet demolisher are with us again.



Photographs by Jean-Claude Fingenwald

Left: The mini and the rough-tough look. The and jacket with its cape-like topstitching could Courreges. Right: The safe, Queen Mum look. Left to right: Maxi and the lovely muddy ethnic look. The mini with a swirl. Here we go Prey or predator. Hissed at the collections stalking the jungle streets.

Legal appointments

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SENIOR LEGAL ADVISER

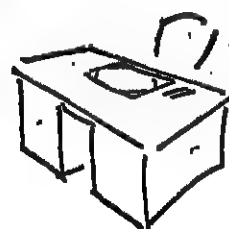
A vacancy has arisen in the Law Society's Legal Services Department for a Senior Legal Adviser. The successful candidate will be responsible for the day-to-day running of the department, which is a busy and varied one. The department is responsible for the day-to-day running of the department, which is a busy and varied one. The department is responsible for the day-to-day running of the department, which is a busy and varied one.

MS B. BURTON, HEAD OF PERSONNEL, FANUM HOUSE, BASINGSTOKE, RG21 2EA. TEL: (0256) 40011. Closing date for Applications: 19 June 1980.

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Saudis ready to increase oil price by \$4 a barrel to achieve unity within Opec

By Nicholas Hirst
Energy Correspondent

Saudi Arabia, the world's largest oil exporter, is prepared to put up its prices by a further \$4 to \$5 a barrel at the meeting of the Organisation of Petroleum Exporting Countries (Opec) in Algiers next week.

Authoritative sources said yesterday that the kingdom would once again attempt to bring order back to Opec's pricing structure which has been in disarray since cutbacks in Iranian production after the fall of the Shah.

The offer to raise prices to \$32 would be made on condition that other Opec members agree to the setting of a new official market price from which quality and freight differentials could be calculated. This would mean member states would not follow the Saudi rise with further increases of their own and the North African producers might have to trim their price slightly.

If the play works, it will provide a base for the introduction of a system of automatic pricing worked out by Opec's long term strategy committee, chaired by Shaikh Ahmed Zaki Yamani, the Saudi oil minister.

Petrol prices would rise again, with Mobil, Texaco and Esso, which take up to a half of their United Kingdom requirements from Saudi Arabia, adding up to 3p per gallon of four star.

This increase would be in addition to the present round of price rises sparked off by the \$2 a barrel increases in crude costs made throughout Opec

during the last couple of weeks. Shell raised its prices by up to 3p a gallon at the pumps at midnight. The earlier increase was of 2p a gallon.

In return for an agreement on a unified price structure, it is thought Saudi Arabia will offer to cut back its own production, now running at 9.5 million barrels a day, by either 500,000 or one million barrels a day. It is far from clear, however, whether this new attempt at unification will work.

Saudi Arabian experts are convinced that, as the summer progresses, a glut of oil will develop. There is a fall in consumption of around four million barrels a day during summer compared with demand in the winter. World stocks are at record levels and demand is more than satisfied, although the Saudis believe that what it did under the Shah.

The Saudis believe that unless Opec presents a unified front, prices will fall. Their offer of a production cut would help to curtail a potential glut on the market, as it is, production within Opec is running between two and three million barrels a day lower than in the final quarter of last year—and allow the creation of a floor price for the long term strategy's indexing system.

But the high prices being demanded by the Algerians, Libyans and Nigerians will not be given up easily, and neither will the premium prices

demanding by Kuwait on part of its production. Iran presents a problem with its demands for prices which, with premiums, take its oil to more than \$35 a barrel. Its output is now small, and intransigent by one member country might be ignored by the others.

The spot market augurs well for success. The latest round of increases of \$2 a barrel, which was sparked off by a \$2 rise by Saudi Arabia to \$28, has not been reflected by a rise in spot market prices. Spot and the higher government selling prices with premium are now roughly in line.

Member states may also be influenced by a desire to achieve unanimity before a second summit meeting of Opec leaders fixed for Baghdad in November. It is unlikely that the desire to be good hosts will influence the hard-headed Algerians.

Saudi Arabia is anxious to regain the initiative as the natural leader of Opec which it lost when the Iranian cutbacks neutralized the use of its spare capacity. Its first attempt at creating a new price structure was before the Caracas meeting in December when it raised prices from \$18 to \$26. It then tried a further \$2 rise early in the new year.

Its last \$2 increase appears not to have been intended as an attempt to coordinate a new unified structure but merely to get a better price for Saudi Arabian crude, which for 18 months has lagged behind other producers.

Unions say 10,000 jobs could be lost in motor components companies 2,000 redundancies feared at Lucas

By Clifford Webb
Midlands Industrial Correspondent

The motor industry's worldwide recession is beginning to bite deeper into the job prospects of British component companies. The latest to be hit are the auto-electric factories of Lucas Industries which tomorrow is expected to tell the unions that 2,000 workers will have to be made redundant at eleven plants in the west Midlands.

With motor industry supply schedules cut by as much as 30 per cent and not expected to recover for two years, the component makers are trimming their labour forces in line with their depleted order books.

In recent weeks, GKN, Tube Investments, Wipac, Bredon, Rubery Owen, and Dunlop have announced job cuts affecting over 2,000 west Midlands workers. Local union officials predict that this figure could reach 10,000 before next winter.

Even without the present recession, prospects for British component companies have been looking increasingly gloomy as imported cars continue to increase their penetration of the United Kingdom market.

With a growing number of foreign-made components being fitted to British-built cars, it is now estimated that the actual United Kingdom content of the 1.5 million cars forecast for sale here this year will be only 35 per cent.

Lucas made a first half loss of 1.8m on its United Kingdom operations and, overall profits for the six months ended January 31 were a mere £12.3m on a turnover of £567m.

The grim news from Lucas's motor plants is partly offset by the improved fortunes of its aerospace company. A little over two years ago it was planning to close five factories and make 2,000 of its 2,000 employees redundant. Under pressure from the unions and

the Government, management reluctantly curtailed the closures and redundancies.

Now Lucas Aerospace, the largest aircraft component manufacturer outside the United States, is recruiting again and working flat out to meet £350m orders which will keep its factories busy for at least the next two years.

A Lucas Aerospace executive said last night: "The aerospace market worldwide is now running at around £13,500m a year as the airlines are being forced to replace their ageing, thirsty aircraft. There is more than double what it was in late 1977-78."

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British Shipbuilders wins Chinese orders

From Michael Bailey
Athens, June 2

British Shipbuilders has won orders for six ships worth £55m from Far East owners, including two for the Republic of China, it was disclosed here today.

The two vessels for China, 15,000-ton SD 14s worth about £10m, marked a breakthrough after several years' patient marketing effort and held out the promise of substantial further orders to come, a British Shipbuilders spokesman said.

The remaining orders are for two 26,000-ton bulk carriers, to be built, like the China ships, by Austin & Pickersgill in the North East, and two 66,000-ton Panamax bulk carriers, to be built by Gorn on the Clyde, all for undisclosed Far East owners.

They bring BS's total orders in the past few months to 42 ships amounting to 400,000 tons, almost the target agreed with the unions last autumn worth £350m and should give job security in most yards until the middle of next year, when BS expects a general upturn in orders. But some yards are still conspicuously short of work, including Cammell Laird on the Mersey and Scotts of Greenock.

The new orders were taken against a fierce competition from Japan and Europe at a price on which BS "expects to break even."

On the China order, Mr Derek Kimber, chairman of Austin & Pickersgill, said: "We have been working on this for four years with Chinese delegations to London and the yard, and visits to Peking and Hongkong."

OECD chief predicts a short recession

From Peter Norman
Paris, June 2

The Organisation for Economic Cooperation and Development (OECD) believes that the western industrial world is entering a recession, but expects that it will be short and shallow, and should be followed by a recovery taking place in the second half of next year.

Speaking on the eve of a two-day meeting of the OECD council at ministerial level, Mr Emile van Lennep, the organisation's secretary-general, said he had "good hopes" that the OECD area would weather the sharp oil price rises of the past 18 months more successfully than the oil crisis of 1973.

Mr van Lennep said that the oil price increases meant that while the West would have to accept economic policies of restraint and caution, member states should also promote investment. The organisation calculates that the price rises will cut the total gross national product of the OECD area by 1.5 per cent, or about \$150,000m (£94,935m), and cautious economic policies necessitated by the strong industrialised world will cut a further \$250,000m (£108,225m) from the OECD area's real income.

Despite the clear onset of recession in the United States, OECD officials believe that member countries could still show a real growth rate of around one per cent this year compared with 1979.

Positive factors cited by officials in the OECD's Paris headquarters are signs that the corporate profitability is holding up better than after the first oil crisis while the current account balance of payments deficit in the OECD area is concentrated this year in countries such as West Germany and Japan, which are strong enough economically to take the strain.

However, the ministers are expected to cast a worried look over the state of the developing world in the wake of the past year's oil price increases.

Mr van Lennep said that the meeting tomorrow will discuss how the industrialised world can minimize the impact of the oil price rises on the growth rate of the less developed countries. He said the OECD countries should keep their markets open to products from developing countries and the newly industrializing countries even at a time of low growth and high unemployment in the west.

Dr Friedman says Fed controls were 'a serious mistake'

From Frank Vogl
New Orleans, June 2

Dr Milton Friedman, the Nobel Prize winning economist, gave a warning today that the United States faced a "relatively severe recession" if the recession would last throughout this year and it could be as grave as the 1974 recession, the worst since the Second World War. The Carter Administration, he said, just "has no economic policy."

"There are no soft options for Britain and the United States," except policies that directly attack inflation by reducing public spending and monetary growth. He added that although the Federal Reserve Board was alone in the United States in halting inflation, its mid-range credit controls were a serious mistake and should be immediately lifted. The current Fed policy was "excessively restrictive."

Monetary policies were at the centre of debate today before the chairman of the 55 largest American banks and the biggest non-American commercial banks in the world attending the International Monetary Conference. Dr Friedman was scathing in



Dr Milton Friedman: "no soft options" for Britain or the United States.

his criticism of central and commercial bankers but his views did not go unchallenged. He was swift to note that monetary policy alone could not deal with all of today's economic difficulties.

He asserted that most central banks were merely paying lip service to the idea of money stock control by announcing money growth targets. They were not adapting their operational procedures to ensure that the targets were attained.

The United States is "a particularly egregious example of the contrast between talk and action". Dr Friedman said.

Lord Barber, chairman of the Standard Chartered Bank, said he was worried about the health of British industry after application of several years of strict monetary policies. "The danger, in a severely competitive world environment, of the erosion of productive capacity in an open economy such as Britain's is one for which the theory of monetarism has still to suggest wholly convincing remedies or palliatives."

Mr Mickie Matsukawa, special Japanese finance minister, argued that today's central inflation problems focused on the development of wages and prices and "it doesn't matter whether or not governments choose monetarist policy if trade union leaders show a complete lack of understanding of economics." Part of the problem today was convincing people that they would have to accept lower living standards, he said.

Dr Friedman said that central banks continued to tie and manipulate exchange rates and interest rates and that the cost of this manipulation was heavy. Commercial banks were supporting intervention to make short-term gains even though this added to inflation.

Norway starts exploration drilling inside the Arctic Circle

From Peter Hill
Harstad, June 2

The start of exploration drilling inside the Arctic Circle by the Treasure Seeker, Norsk Hydro's rig, in waters 50 miles north west of Hammerfest, brings to an end almost a decade of political wrangling and controversy.

The Treasure Seeker's well is the first of six explorations due to be drilled this year north of the 62nd Parallel.

Political arguments, heightened by the repercussions and recriminations after the Alexander L. Keilland disaster, raged on until early last month. But a proposal from Norway's Christian Democratic Party to delay still further the start of drilling in northern waters was again heavily defeated in the Norwegian parliament.

Fears that local fishermen

would mount a large protest by sailing to the first exploration site to prevent drilling have proved unfounded. But the fishermen's staying at home does not necessarily mean that their concern has evaporated.

In response to concern after the Keilland disaster and other emergencies the government has laid down stringent regulations to ensure maximum security and safety in the Arctic drilling programme. It is uncontroversially agreed that any accident, however minor, would generate another political controversy.

Late this afternoon, Treasure Seeker's drill bit was more than 200 metres down, and next week the Ross Rig, operated by Statoil, Norway's state oil company, will be on station sinking a second well on a nearby block-off the coast of Troms.

Later this month, the trio of

Arctic oil pioneers will be competing with the arrival of the Saga Petroleum, which will be drilling the first of two wells on the Haltenbanken fishing grounds, south west of Harstad.

Results from this summer's explorations should give some indication of the commercial possibilities. Experts are cautiously optimistic although it is recalled that 30 wells were drilled in the more hospitable waters of the North Sea before any commercial fields were made.

Allocation of only three blocks out of 26 originally offered in the far north reflects the government's will to move cautiously. The three blocks are seen as a careful compromise which reconciles the oil companies' preferences and fishing industry sensitivities.

The firm says that apart from potential savings of time and money, the system would also have the advantage of relieving air traffic congestion around Aberdeen and Sumburgh, the airports now serving most North Sea installations.

It would take the form of a large, semi-submersible structure served by fixed-wing aircraft with short take-off and landing capability.

The aircraft would fly directly from cities such as Glasgow, Edinburgh and Newcastle to the floating airport, then crews would be taken by helicopter to the different oil production platforms.

The idea has been raised by Wood Mackenzie, a firm of London brokers which produces a highly respected North Sea report several times a year.

"There would, however, be a fairly major capital investment required initially and the overall economics of the project would depend on getting a sufficient number of different fields in one area to subscribe to the idea", the firm says.

Seaforth Maritime, an offshore support company, is trying to interest oil companies and other potential users in a floating airport, which would be served by Dash 7 aircraft,

The Norwegian continental shelf is vast, much bigger than the North Sea area, and exploitation will be complicated by disagreements, particularly with the Soviet Union, over the dividing line in the Barents Sea.

The start of drilling in the offshore Arctic has implications onshore. About 10 per cent of the country's population lives in the three northernmost counties of Nordland, Troms and Finnmark, and outward migration to better paid jobs and a less rigorous climate in the south has been an established pattern for many years.

Attempts to promote diversification from the traditional industries of farming and fishing have met with only modest success, and the award of the first three blocks was conditional on the participating companies making a pledge to pro-

mote small industrial development in the northern region. There is great anxiety to ensure what Stroll describes as "a soft landing" for oil development in the north, and prevent northern towns becoming like Stavanger of Aberdeen.

For that reason, the supply bases have been dispersed. The supply base in Harstad is primarily responsible for the oil industry's hardware and Hammerfest is supplying bunkers and food. Tromsø is the heliport for the rigs.

But already, oil workers are being invited to pay inflated rents for properties which the handful of oilmen already here do not need. It has certainly been a soft landing so far, but if oil is discovered north of the 62nd parallel the government will find it difficult to prevent a sudden rush however well intentioned it might be.

Mr Macdonald to become chief executive of Antony Gibbs

By Roman Eisenstein

Mr David Macdonald, the former director-general of the City Takeover Panel, is to join Antony Gibbs, the merchant bank, as chief executive. He will be leaving his present position as chairman of the Hill Samuel group in four to six weeks' time.

The appointment is to be confirmed officially at a board meeting of Antony Gibbs tomorrow. Sir Philip de Zulueta is expected to remain chairman.

Antony Gibbs, which is in the process of being taken over by the Hongkong and Shanghai Banking Corporation, is to lose its membership of the Accepting Houses Committee, the inner group of City merchant banks.

Yesterday Mr Macdonald said he was leaving Hill Samuel for "positive reasons."

"I am going to a different type of job which interests me more. It will be a new challenge in the position I am going to", he said.

Apart from his two year spell at the Takeover Panel, Mr Macdonald has been with Hill Samuel since 1964 when he joined Philip Hill before he merged with M. Samuel. He has only been back with the group for 10 months.

Mr Macdonald was previously in charge of corporate affairs at Hill Samuel and was on the board of the bank. When he rejoined, he was appointed to the main board of the Hill Samuel group.

His main activity was to look after individual corporate clients. It had been thought at one time that Mr Macdonald was in line to succeed as deputy

chief executive when Lord Keith retires as chairman some time this year and Sir Robert Clark, the present chief executive, takes over as chairman.

But two weeks ago, Hill Samuel announced that Mr Christopher Castelman will become deputy chief executive under Sir Robert Clark. The other major appointment in the group, that of chairman of the bank, had been taken over two years ago by Mr Richard Lloyd, the former chairman of Williams & Glyn's.

There is little doubt that Mr Macdonald will take on a challenging task at Antony Gibbs. In terms of size, with a balance sheet total of only £259m, Antony Gibbs has been one of the smaller accepting houses.

The takeover by the Hongkong and Shanghai Banking Corporation, which previously had 40 per cent of the Antony Gibbs shares, could mean a new departure for the bank. The takeover has been fully completed but with the backing of the board and of the main shareholders there is no doubt that it will go through.

Once this is achieved, Antony Gibbs will have access to the large financial resources of its new parent company. It is in this context that Mr Macdonald's appointment becomes significant.

He has wide knowledge of City affairs and he will be adding his own extensive contacts in the corporate field to those of the corporation. Antony Gibbs is to leave the Accepting Houses Committee because it falls under the control of a foreign bank, but this departure is unlikely to affect its potential for getting business.

AB ELECTROLUX

Further growth expected

The Annual General Meeting of AB Electrolux was held on May 28, 1980 in Stockholm and a dividend of Swedish Crowns 7.50 per share was declared.

In his speech at the meeting the Managing Director, Mr Gösta Bystedt, said that group sales during the first four months of the year were approximately 26% better than last year. The group trading profit for the same period is expected to show a similar increase. He, however, did not think that this growth would be maintained for the whole year because of the economic recession in some countries. There was, therefore, no reason to deviate from the forecast already given for 1980 of an increase of 10% in the results for the group, exclusive of the Granges group.

Measures taken during the seventies, which resulted in an enlarged product programme, increased number of markets and a widened distribution network combined with volume growth, has created opportunities for additional growth of sales and profits.

Additional product lines acquired during the seventies generally show a satisfactory result. This has resulted in the group becoming less dependent on household goods whose share of the group profit has, over the years 1970 to 1979, decreased from 88% to 65%. At the same time the group profit in absolute figures has increased from 113 to 915 million Crowns.

The most important event during 1979 was the acquisition of the Tappan company in the U.S. which, together with the earlier acquisition of National Union Electric Corporation, is aimed at strengthening the group's position in the American market for household goods. Through Tappan, Electrolux has also got access to an excellent range of microwave ovens for which an increasing demand in Europe is expected.

Referring to the position on the Stockholm Stock Exchange of the Electrolux shares, Mr. Bystedt was doubtful whether there was a relationship between the number of shares and the Stock Exchange price and emphasised that, during the seventies, the number of Electrolux shares had increased by some 1.3 million while during the same period some 3 million shares had been withdrawn from the stock market through Electrolux acquisition of Swedish companies registered on the Stock Exchange.

Having regard to the favourable product mix within the Group and its competitiveness, Mr. Bystedt expected an increasing profit capacity during at least the first few years of the eighties for which it is now possible to make rough estimates.

Electrolux shares are quoted on the London Stock Exchange and the price listed daily in this paper. Copies of the Annual Report for 1979 in English will be available after June 23 from Baring Brothers & Co., Limited, 88 Leadenhall Street, London EC3A 3DT.



Stock markets

Ind. 412.7, down 3.2.
Ft. 75, down 75 pts.
X. 74.3, down 0.1.

Ar. 84.2, up 0.2.
1.7815, up 60pts.

50, up \$23.50.

Key
Spring, 17.7-17.8.
Euro-S, 10.7-10.8.
Euro-S, 10.7-10.8.

BRIEF

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Social News, page 22

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PRICE CHANGES

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|------|-------------|----------------|-------------|
| I | 20p to 715p | Largo | 35p to 681p |
| 1 | 13p to 215p | Waters | 6p to 53p |
| in | 28p to 655p | Rush & Tomkins | 14p to 208p |
| ries | 5p to 54p | Ultramar | 18p to 355p |
| ding | 19p to 791p | Weeks Petrol | 50p to 485p |

| | | | |
|----|-------------|----------------|-------------|
| Sm | 7p to 245p | Moss Bros | 10p to 220p |
| 1 | 15p to 625p | Stag Furniture | 15p to 62p |
| 1p | 13p to 712p | Stock Cont | 12p to 300p |
| 1p | 8p to 325p | Union Discount | 10p to 448p |
| 2 | 25p to 310p | | |

THE POUND

| Bank | buys | Bank | buys | Bank | buys | Bank | buys |
|------|---------|---------|----------------|--------|--------|------|------|
| 1 | 2.12 | 2.05 | Norway Kr | 11.72 | 11.22 | | |
| 1 | 31.00 | 29.25 | Portugal Esc | 116.00 | 110.00 | | |
| 1 | 69.75 | 66.25 | South Africa R | 2.08 | 1.94 | | |
| 1 | 2.75 | 2.68 | Spain Ptas | 167.25 | 160.25 | | |
| 1 | 13.30 | 12.75 | Sweden Kr | 10.10 | 9.70 | | |
| 1 | 8.95 | 8.55 | Switzerland Fr | 4.04 | 3.82 | | |
| 1 | 9.95 | 9.55 | USA \$ | 2.40 | 2.34 | | |
| 1 | 4.32 | 4.10 | Yugoslavia Dnr | 51.00 | 48.00 | | |
| 1 | 103.00 | 98.00 | | | | | |
| 1 | 11.00 | 11.35 | | | | | |
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| 1 | 515.00 | 520.00 | | | | | |
| 1 | 4.75 | 4.52 | | | | | |

London brokers believe fixed landing would relieve congestion of flights

Oil experts float idea of airport in North Sea

A floating airport anchored about a hundred miles off the Shetland islands has been suggested for ferrying growing numbers of workers to and from North Sea oil installations.

It would take the form of a large, semi-submersible structure served by fixed-wing aircraft with short take-off and landing capability.

The aircraft would fly directly from cities such as Glasgow, Edinburgh and Newcastle to the floating airport, then crews would be taken by helicopter to the different oil production platforms.

The idea has been raised by Wood Mackenzie, a firm of London brokers which produces a highly respected North Sea report several times a year.

The firm says that apart from potential savings of time and money, the system would also have the advantage of relieving air traffic congestion around Aberdeen and Sumburgh, the airports now serving most North Sea installations.

"There would, however, be a fairly major capital investment required initially and the overall economics of the project would depend on getting a sufficient number of different fields in one area to subscribe to the idea", the firm says.

Seaforth Maritime, an offshore support company, is trying to interest oil companies and other potential users in a floating airport, which would be served by Dash 7 aircraft,

made by De Havilland in Canada.

The company has drawn up plans for a 2,000ft "stolport" (short takeoff and landing airport) in the east Shetlands basin, which it estimates would cost £70m to build.

It would be constructed in



Threat to US cars by imports from Japan

United States domestic car manufacturers will not be able to stop Japanese car imports by 1983 as some General Motors Corporation officials have predicted, Mr Douglas Fraser, the United Auto Workers' president, said.

He told the union's 26th constitutional convention that the idea was nonsense and that the United States car makers would not even have the small fuel-efficient cars which American consumers wanted until 1983.

The Carter administration must take a stand to help the United States motor industry before permanent damage was done, Mr Fraser said.

Gas supply warning

The EEC Commission has given a warning of a possible shortage of natural gas in the next few years. It urges stepped up internal production and expanding the number of outside suppliers. It specifically suggests buying more gas from Cameroon, Canada, Qatar and Norway.

SA price rises

The South African whole-sale price index rose 1.35 per cent in April after a 0.68 per cent March gain, while the year on year increase quickened to 18.63 per cent from 18.11 in March.

Aid from Vauxhall

Hindustan Motors, one of the three private sector passenger car makers in India, has government authorisation to procure technical assistance from Vauxhall Motors of Britain along with "back-up information" the *Economic Times* in New Delhi reports.

Fewer Bonn jobless

The number out of work in West Germany fell for the fourth successive month to 756,768 in May. Figures showed a drop of 58,606 from the April total of 825,374. Last January the figure stood at 1,04 million.

Bombing of South African plants hits £1,000m investment

Oil-from-coal programme setback

The bombings on Sunday of the two South African oil-from-coal plants could seriously curtail a programme which has required capital investment of more than £1,000m.

The technology dates before the Second World War but today South Africa with its vast and cheap coal resources is the only country operating a commercial plant of any scale producing oil from coal.

The plants are run by the South African Coal, Oil and Gas Company (Sasol) which was founded in 1950 and it acknowledged as the world leader in the gasification and liquefaction of coal.

South Africa has in excess of 25,000 million tons of extractable coal assets and produces 90 million tons per year in comparison to 35 million produced by the entire African continent. By 1976 indigenous produced coal supplied more than three-quarters of the country's primary energy needs. That reliance reflects the country's lack of oil and gas reserves.

By 1955 the first plant was built in Sasolburg, the headquarters of Sasol and the target for the first bombing on Sunday, at an initial capital investment of £30m.

The South Africans refined a process initially developed in Germany. During the process a gas is derived from the coal which is a mixture of hydrogen and carbon monoxide. Unwanted sulphur products are then removed which is used as the basic "fuel" for the process from which a range of products including crude oil and petrochemicals are derived.

The success of the venture encouraged Sasol to consider by 1974 the construction of a second plant on the eastern Transvaal at Secunda, the target of the second bombing on Sunday. This plant was expected to be in full production by 1981 at an estimated capital investment cost of over £1,000m.

It is the economics of oil from coal that have been paramount in any decision to invest in such technology. South Africa's rich deposits cheaply mined by low wage black labour working largely open cast seams makes the project even more economic. The coal, at shallow depths with generous seams, meant that South African coal in 1978 was being mined for as little as £0.50 per tonne.

In spite of the economics the extraction of oil from coal has been researched by numerous countries since the beginning of

the century. Imperial Chemical Industries (ICI) was operating a plant at Billingham-on-Tees to produce liquid fuels from coal in 1935.

France and Italy built plants the same year and by the outbreak of war Germany had seven plants while France, Japan, Belgium, Holland, Canada and the United States were actively experimenting. Between 1940 and 1943 two more were constructed in Germany, two in Poland and one in Czechoslovakia.

Although the technologies varied as did the type of product, the South African plant harnessed some of the experiences of these countries in developing its revolutionary Sasol complexes.

Almost every developed country in the world is involved in oil-from-coal research, because estimates of coal reserves are measured in hundreds of years as opposed to tens of years for oil and gas.

The ICI operation stopped in 1939 but the National Coal Board plans to build two plants, beginning next year, at Point of Ayr at a total cost of £30m. The NCB is waiting for approval of part financing from the Government.

Bill Johnstone

Unconventional shapes for future aircraft could provide payload advantages

Future large transport aircraft may be based on unconventional shapes including twin or triple fuselages, according to Mr Roy Lange, manager of the advanced concepts department of Lockheed-Georgia in the United States.

As the performance improvements that are possible by further increases in the size of conventional designs diminish, interest is growing in the potential advantages of radically new layouts. Mr Lange told a recent meeting of the American Institute of Aeronautics and Astronautics.

"The combination of advanced technologies such as composite materials, propeller propulsion, laminar-flow control and alternative fuels along with futuristic aircraft designs could well present a drastic change in the shapes of aircraft people see at airports today," he said.

In one possible approach, a 441,000lb payload would be carried in three separate fuselage sections of a 1,500,000lb aircraft — in appearance, the aeronautical equivalent of a trimaran yacht.

This would spread the loads throughout the wing, reducing its weight, cut the cost of manufacturing because of the smaller fuselages and give the operational benefit of faster loading and unloading.

Feasibility of the multi-body designs is now being studied under contract to the United States National Aeronautics and Space Administration. Also under study is a "flexed" air-

craft which would carry passenger-cabin or cargo modules as required to ease the conversion of the aircraft from one role to another.

Pumping water by solar power

Solar-powered pumping equipment which could be suitable for small-scale irrigation use is being evaluated by Sir William Halcrow & Partners, consulting engineers, and the Intermediate Technology Development Group, acting as consultants to the World Bank on an 18-month project funded by the United Nations Development Programme.

Laboratory tests on sub-systems and components from 22 companies are being conducted at the Royal Aircraft Establishment, and Reading University in Britain and at the Jet Propulsion Laboratory in California. Field trials of eight photovoltaic systems and one thermal system are to be carried out in Mali, Philippines and the Sudan.

Overall aim is to develop simple, economic, robust, reliable and appropriate solar technology systems for pumping water on small farms in the developing countries.

New unit to aid biotechnology

Three areas of biotechnology are to be promoted by a new unit at Cranfield Institute of

Technology which is being set up jointly by Cranfield and the University of Technology at Compiegne near Paris. The unit will be concerned with industrial, domestic and agricultural waste disposal; exploitation of agricultural by-products; and fermentation of biomass production.

Cranfield's biotechnology unit will provide a service to industry, drawing on the expertise in enzymes technology and bio-mechanisms of the French university. This is one of the first results of a programme of collaboration between the two institutions.

Technology News

Another result of this link will be the setting-up at Compiegne of a jointly supported precision engineering unit. This will draw on the experience of the Cranfield Unit for Precision Engineering.

Microelectronics for construction

Microelectronics will have a profound effect on the construction industry, Britain's largest single industry, according to a report commissioned by the Property Services Agency of the Department of the Environment.

Microcomputers can solve problems in almost every area of construction industry activity

and can be financially justified by most companies in the industry, but software development must be carefully planned.

The report, *Micros in Construction*, is published by the Construction Industry Computing Association, Cambridge, which was formed recently to succeed the Design Office Consortium in providing impartial advice and information on the use of computers in building design and construction.

Microcomputer use in relation to general management and 15 other areas of work is analysed in the report. The 15 areas are accounting, construction, management, costing and quantities, information handling and retrieval, land surveying, structural analysis, structural design, civil engineering (highway), civil engineering (hydraulics), environmental calculations, design of building services, natural and artificial lighting, visualisation (perspectives), draughting, and word processing (specification editing).

Kenneth Owen

Mr Ralph Godfrey

Mr Ralph Godfrey, of Harborne Park Road, Birmingham, wishes to state that the original Brickhouse Foundry at West Bromwich was purchased by him in 1943, that he was the sole owner until a public company was formed in 1967, and that he served as its chairman until he retired.

LETTERS TO THE EDITOR

Plight of the exporting professional company Is another petrol price rise necessary

From Mr W. G. Barb

Sir, Much attention has been given in your pages recently (culminating in yesterday's leading article) to the plight of export-oriented manufacturing industry resulting from a high rate of inflation plus high interest rates plus a strong pound plus lending restrictions.

May I highlight the fact that the problems of export-oriented professional firms (such as mine) are even greater? By the very nature of such firms, the principal outgoings are staff salaries, which must be paid promptly. Accordingly, unlike manufacturing firms, we cannot offset slow payment by customers through slowing down our payments to suppliers. Furthermore, our increasing uncompetitiveness abroad due to rapid United Kingdom wage/salary inflation and a strong pound, is in no way alleviated by the reduction in imported raw material prices, which benefit manufacturing firms. Yet again, unlike the latter

firms, we have no scope for stock reductions. Due to high interest rates everywhere, customers pay ever more slowly, and to cope with a turnover which is higher (not in volume, but due to inflation) and a longer interval between disbursements and receipts, we need ever more working capital, which is either unobtainable or carries ruinous interest rates.

In terms of exported added value, professional firms are some of Britain's most efficient exporters, yet, as explained above, we are being placed in an even more precarious position than British manufacturing industry. Yours sincerely, W. G. BARB, M. H. Randall & Partners, Technical and Scientific Translators, Europa House, Marsham Way, Gerrards Cross, Bucks SL9 7QL. May 30.

Making use of our skills

From Dr Frank A. Heller

Sir Professor Bell's plea for urgent attention to three questions related to the development of more skilled workers in British industry (*The Times*, May 28) is reinforced by the recent analysis of the National Institute of Economic and Social Research on skill deficiencies compared with competing countries.

Since skill acquisition is necessarily a slow process, I would like to add one question to Professor Bell's: What can be done to make better use of existing but unused reservoirs of skill? Our research suggests that underutilization of skills is an important factor at many levels of British industry. Unused skill does not only constitute a loss to the organisation, it also causes frustration

and resentment to people who are motivated to make a greater contribution to their work.

Our evidence suggests that skill underutilisation is largely due to man-made organizational problems which can often be overcome if attention is directed to them. It seems that an avoidable percentage of the skill acquired through training is wasted. This suggests that if the organizational problems can be solved, there will be a greater incentive to attend to the issues identified by Professor Bell and NIESR.

Yours truly, FRANK A. HELLER, The Tavistock Institute of Human Relations, The Tavistock Centre, Belzile Lane, London NW3 5BA. May 29, 1980.

The tip of a 'monstrous' iceberg

From Mr R. Roxborough

Sir, Press exposure (this week) of the ridiculous index-linked salary paid to Mr Eric Tindall (Road Transport Industries Training Board) is just the tip of a monstrous iceberg.

All 23 of these boards are, to use John Coates's immortal description of the Boxing Board of Control, "self-perpetuating oligarchies". They fund themselves by levying the gross product of the industry they are leeching to. The levy bears no relation to

profit, and it is possible that payment of levy, which is statutory, could even force a press-ganged subscription into debt. No matter!

A number of years ago the Furniture and Timber Industries Training Board had, depending on your standpoint, a healthy/unhealthy surplus. As I thought, with typical industrial naivete, this year the levy will be reduced, possibly even waived.

My rude awakening came a couple of months later. A per-

functory snippet in *Journal* announced that board had decided not to levy — levying notwithstanding so they were appointing a number of regional in- to ensure that they did know. Amen.

Yours faithfully, R. ROXBOROUGH, Watford Old Convent, Gerard's Lane, Sutton, St Helens WA9 3SS. May 21.

OF SPECIAL INTEREST TO INVESTORS

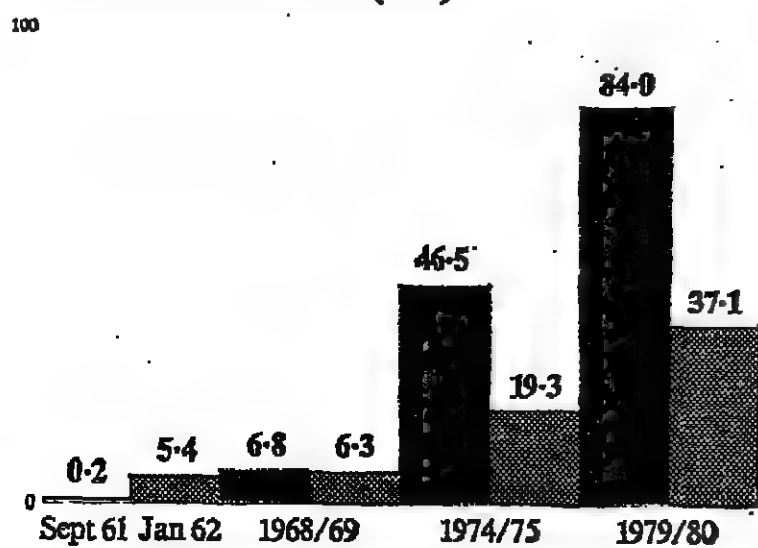
Has LONRHO been a poor investment? Has HOUSE OF FRASER been a good investment?

£100—invested in the House of Fraser shares in 1961 would in March 1977 be worth **£120**. Net dividends together with interest derived from the dividends have provided **£77** in 16 years with ten years under the present chairman.

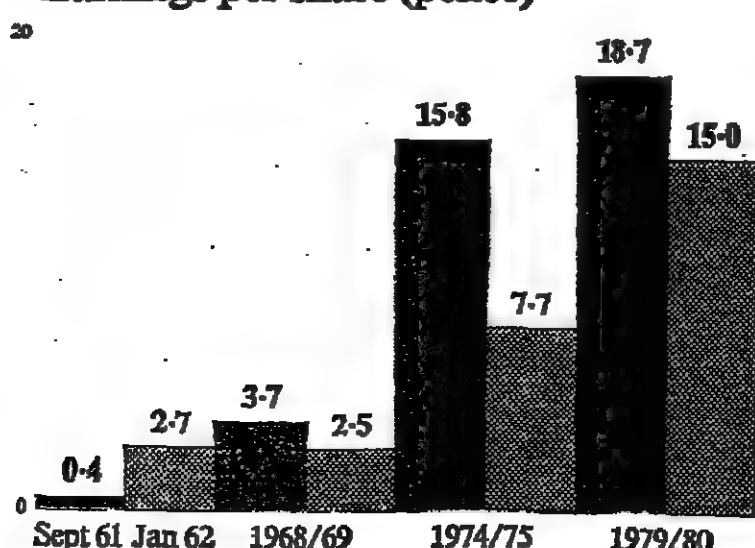
£100—invested in Lonrho shares in 1961 would in March 1977 be worth **£1,697**. Net dividends together with interest similarly derived have provided **£710**.

The cut-off date for the above comparative figures is March 1977. At that date Lonrho's first investment in the House of Fraser through SUITS began to distort Fraser's share price.

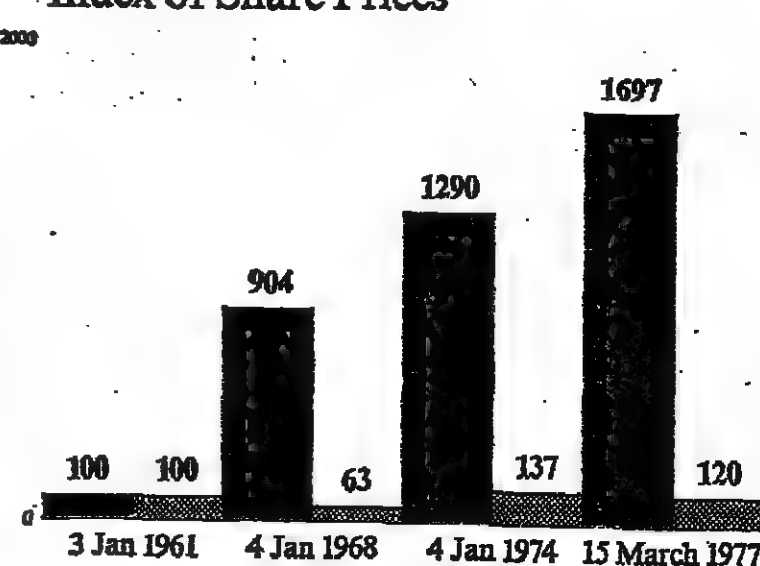
Profit before tax (£m)



Earnings per share (pence)



Index of Share Prices



Sources: Profit before tax and earnings per share: Published accounts and financial records adjusted to reflect accounting policies presently adopted and scrip and rights issues for both companies. Adjusted share prices: Datastream and Stock Exchange Daily Official List.

LONRHO

Lonrho Limited, 138 Cheapside, London, EC2V 6BL. Copies of Lonrho's annual Report and Accounts for 1979 are available from the Secretary.

Lonrho
House of Fraser

The changes at Hill Samuel

ults from Hill Samuel will range from the £7.7m of made last year. Hill Samuel not been alone among to severely suffer from as done worse than its main

set terms over the past few pped behind Hambros and in since 1973 earnings moved sideways from 11.5p a le profits have increased by ight years.

gly there has been some top. Over the years several one. The latest is Mr David is joining Antony Gibbs.

tion in its present form Hill dominated by one man his philosophy that size is it banks.

it of that aim Hill Samuel ill-fated mergers, including cised with MEPC and Slater, eciently there were talks of a with Merrill Lynch, the rs.



(left) will step up to become ill Samuel, while Mr David decided to leave and join

ly the pendulum has swung and with Sir Robert Clark's of the group and the tendency to improve the service side of

on line now seems clearer. Castleman is at the age of 40 ecutive of the group and Mr is now in charge of the bank. aid the attractions of moving where his ambition would be

ly changes and attempts that off, Hill Samuel has been ny in the City as the group way. Yet in the course of t has acquired several busi- in well with traditional mer-

urance broking, a poor per- a past few years but he's pefully set again some time this year ; ssurance which had its prob- lems firmly set in the unit- and there is a very success- benefits subsidiary. Then Hill ges some £2,000m of invest- is generally reckoned to d at the job.

cant is the existence of one of corporate clients in the City. uly scope for activating that, o been whether this is good e 80s. In that sense, however the talks with Merrill Lynch aw in the wind. With Enro- anding and the likelihood of ock market practice, there is possibility that Hill Samuel rchant banks will by the end e more closely resemble the type of investment bank than

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dividend increase and a one-for-one scrip was enough to keep sellers at bay yesterday. However, the group has given a warning that at least in the United Kingdom, the going could get pretty tough from here on and earlier market forecasts of as much as £27m for the full year are now beginning to look extremely ambitious.

The strains of Marley's fast expansion, particularly on the DIY front are beginning to show through in substantially higher interest charges just as the trading outlook in most areas is turning flat. Borrowings have swept up £24m overall to around £76m with the result that interest payments in the first half spiralled from around £2.1m to just under £5m.

In United Kingdom tiles business demand is slipping as both the housing and commercial property markets falter, while prospects in the over-fished DIY market look less attractive with the arrival of each new competitor.

Overseas, Marley is hopeful it can keep up the sort of progress which lifted trading profits 48 per cent to £6.9m in the first-half, but sterling's strength could slice off much of the fat at the year-end.

Add in the fact that the Monopolies Commission is still studying the United Kingdom tile market, and the shares at 81p are looking a shade vulnerable. Full-year profits may well be much more than £1m up on last year's £2.1m for a fully taxed p/e ratio of around 7.5 while a continuation of the interim dividend increase would leave the payment less than twice covered.

● The arrangements under which J. H. Fenner is issuing shares for the American company, Stone Hydraulic by way of a deal with Hill Samuel are basically designed to get round the complications which ensue if it becomes necessary to obtain a share quote in the US; but one result of these manoeuvres—if the deal is approved by Stone's shareholders, at the company's extraordinary general meeting on June 24—will be to cutback Hawker Siddeley's 19.6 per cent stake in Fenner to under 16 per cent. Not that that is likely to deter Hawker Siddeley, if it is looking in this direction for a use for the £140m of funds which the December balance sheet revealed—but with Fenner now on the recovery tack the engineering giant seems to have missed the best of its opportunities.

EMAP Defensive merits

East Midland Allied Press's handsome 57 per cent pretax profit increase to £3.5m in the year to March, could be the last really good set of figures from a provincial newspaper group for a year or two.

EMAP has already noticed a decline in demand for newspaper advertising space since April. Demand for newspaper advertising now appears to have peaked, with job advertising, which provincial publishers are heavily dependent, hit first.

Birmingham-based group BPM recently split out a warning that its second-half profits, to the end of this month, will not match its first-half profit increase of 34 per cent, to £3.45m, thanks to recession hitting advertising volume in its newspapers, although its wide spread of interests outside newspapers will cushion it to some extent.

Simply because the north is already depressed, the south can expect to feel the downturn in the demand for advertising more markedly. But groups, like EMAP, based in East Anglia are better placed in that this is Britain's fastest growing region. So EMAP is not too worried and nor is the market—at 80p the shares yield 4.9 per cent. It is expecting a decline in its newspaper profits—which provided roughly half its 1979-80 total—but expects its flourishing magazine side and other interests to compensate in 1980-81.

Following the warnings already given, newspaper groups' shares have eased, though not as much as in some other industries. Expect to see fresh declines in newspaper share prices as the year, and the recession, rolls on.

The way in which Mr Philip Shelbourne's appointment as chairman of the British National Oil Corporation was sprung on the corporation's board (leading to the rapid resignation of Mr Alastair Morton) was in the worst traditions of governmental relations with the nationalized industries.

Mr Shelbourne, aged 55, is an experienced and brilliant merchant banker, who started life as a tax lawyer. He made his reputation as a highly successful and original minded expert in corporate finance while at Rothschilds in the 1960s. He has been chairman of a merchant bank since 1974 and is a director of its parent clearing bank, the Midland. In every respect he is admirably qualified to be chairman of a nationalized industry.

Mr Morton is a decade younger. His record is no doubt tainted in terms of current fashion by the fact that as a younger man he passed through the old Industrial Reorganization Corporation stable and is an altogether rougher diamond. He was brought to the BNOC by Lord Kearton, who has also become

persona non grata at the court of Mrs Thatcher.

Lord Kearton certainly believed that Mr Morton should succeed him as chief executive, at least, of the BNOC, even if there was a need for a separate and older chairman. The impression has grown in recent months that Lord Kearton's successor at BNOC, Mr Ronald Utiger, had come round to the same conclusion.

It was perfectly well known that Mr Shelbourne and Mr Morton could not coexist within the same organization. In part, no doubt this is due to a recent disagreement about policy towards the BNOC. Mr Morton has been one of the executive team that has built the corporation into one of the significant commercial successes of the public sector. From a national and from a narrow BNOC point of view, his main concern has been to improve the corporation's performance.

Such an aim has brought him into conflict with those parts of the government and Whitehall machine that have been in favour of "privatizing" or dismembering the BNOC. Sir Jack Ramp-

ton, Permanent Secretary at the Department of Energy, even tried to force a salary cut on him when he was promoted to the BNOC board.

More important, however, the two men found that they mixed like oil and water when Mr Morton worked for the Drayton Group under Mr Shelbourne. To say that the two men did not hit it off would be an understatement. Indeed, it is difficult to think of two people more different in their approach.

It is entirely open to the Government, as BNOC's sole shareholder, to decide whether it wants to bring in someone like Mr Shelbourne as chairman of BNOC over the heads of the existing board and team are distinctly unenthusiastic about the more advanced of the Government's policies for the corporation, the case for doing so is that much stronger.

This is particularly the case since Mr Shelbourne has given thought already to ways in which private capital could be injected into the BNOC in a way which might make some difference; rather than by the sort of tokenism with

which most of the existing team clung to the idea that they could fob off the Prime Minister and those close to her who are keenest on selling off capital in order to reduce the current government deficit.

The manner of Mr Shelbourne's appointment, however, was rude to the point of being deliberately hostile to the BNOC. It cannot have been the Government's intention to deliver a deliberate snub to what is potentially the most profitable industry in the public sector. It is said, however, that with the exception of the outgoing chairman (who was told a few days in advance and sworn to secrecy) even the BNOC board were not told of what was about to happen to their chairmanship.

If the Government wanted to get rid of Mr Morton, it had every right to do so. But common politeness (to put it no higher) would suggest that people should be told what is happening before they read about it in the newspapers. Graciously to offend the whole of the BNOC in this way must be wrong, whatever the underlying arguments about national oil policy itself.

Argentina's economic hard man upsets the military

Buenos Aires
No Argentine minister has achieved the international prestige of Dr José Alfredo Martínez de Hoz, who for the last few years has been responsible for the country's economy. In 1976 he took on his ministry in a bankrupt nation in the middle of a guerrilla war. By 1979 Argentina's reserves ranked eleventh in the world and bankers competed fiercely for the privilege of lending the country money.

Yet, as he visits Britain this week in the course of a European tour, his stock in Argentina has fallen sharply. Not that he is thought likely to be dismissed—he has already said he will give up the post next March. But, whereas he was expected to nominate his successor and continue to do a moderate economic policy, the ruling armed forces are in the mood to insist on significant changes, both of people and policies.

Tony Emerson

The underlying cause has been his anti-inflation policy. Judging it impolitic to combat Argentina's three-figure inflation by a squeeze on money supply, he chose to do so by spurring up the economy to import and using a crawling peg devaluation of the peso at an ever decreasing rate, well below that of historic inflation. The price of exportable goods would be limited by the rate of devaluation, while manufacturers who raised their prices more than the rate would be put out of business by imported competition.

The policy began to bite in the last quarter of 1979 when the wholesale price index showed an increase of only 7.2 per cent for the three months. Since then the index has shown average increases of 3.5 per cent a month. However, goods subject to international trade make up less than a third of Argentina's gross domestic product. Services, distribution and certain industries like building are exempt from these pressures; so are other items where government or military dominance sets the price, such as fuel and steel. By decree, minimum wage rises are 4 per cent a year.

Under a central bank which issues money on demand, retail prices have thus been rising by over 6 per cent a month during this period and money which is set by public services have risen more. So a major effect of the anti-inflation policy has been a rapid transfer of resources from farming and in-

dustry to services, and the state. Those sectors adversely affected have either had to reduce production or to resort to credit. This year's harvest is less than 80 per cent of last year's, mainly due to reduced sowings in the last quarter of 1979.

Those who have chosen the credit option are in even worse trouble, because of the interest rates which have made Dr Martínez de Hoz the darling of the international bankers.

The first link in the chain to snap was Argentina's largest private bank, the Banco de Intercomercio Regional, which was liquidated in March by the central bank as a result of serious errors in lending policy.

The BIR's failure led to a run on private Argentine financial institutions which has hit hitherto cost the country an estimated \$700m in reserves. The run was halted only by the central bank's making over three leading banks and guaranteeing 100 per cent of all deposits up to 100m pesos (about \$25,000) and 90 per cent of all deposits above that figure. An emergency credit line to financial institutions in trouble was increased to \$100m supply by 15 per cent in April.

On the other side of the coin withdrawals of deposits have led to a restriction of credit—with dramatic results. Sasecu, Argentina's biggest grain exporter and owner of one of the banks taken over, has gone into receivership. So has the Greco Group, Argentina's largest wine conglomerate.

Celulosa, the country's largest pulp and paper manufacturer, has been rescued from the same fate by the central bank's forcing a restructuring of its debt. The Pinaro Pacho agro group, the largest in Argentina's sugar industry, has confessed itself unable to pay its obligations.

All this has given rise to doubts in the ruling armed forces about the desirability of Dr Martínez de Hoz's policy. They cannot believe that so many crises in finance and industry benefit the economy.

But members of the economic team do not appear to be worried. They insist that companies must rise and fall as part of a dynamic economic process. They claim that extra devaluation of the peso will only accelerate inflation and that market forces will bring retail prices in line with wholesale ones.

Dr Martínez de Hoz's absence in Europe for three weeks confirms that he at any rate is confident enough about the outcome.

Union that believes in playing it rough

The International Transport Workers' Federation last year recovered \$19m from shipping companies in 'back pay' for seamen. David Hewson reports

RECOVERED PAY
Back pay recovered through ITF action in UK ports (does not include contributions to ITF welfare fund) in 1979.

| Country of registration | Amount (£) |
|-------------------------|------------|
| Liberia | 1,478,880 |
| Panama | 583,371 |
| Greece | 238,826 |
| Cyprus | 272,753 |
| Singapore | 89,770 |
| Ghana | 57,720 |
| Saudi Arabia | 332,000 |
| Total | 3,337,820 |

These two views of the world are so incompatible that it is difficult to see the sides reaching any form of compromise and the gulf appears to have widened in the past few years when the use of flags of convenience has grown.

Both parties have a ready fund of horror stories to prove their case. The owners will speak of ships which have been blacked when the crews have been paid rates negotiated by their local union and with which they have been content. It is part of the International Shipping Federation's argument about third world shipping that it is nonsense to have identical wage rates for seamen, regardless of the cost of living in their home ports.

The unions cite instances of seamen being promised extra money if they signed statements claiming, incorrectly, that ITF conditions were being met, only to see the promises disappear when the vessels put to sea.

One of the more curious aspects of the ITF operations, the customary donation to the Seafarers' International Welfare Protection and Assistance Fund, recently featured in a British High Court case. Mr Harold Lewis, the ITF's General Secretary, is disgruntled about the purpose of the fund and concedes now that it might have been a mistake to attach the word welfare to it in the first place.

"It is there to give money to seafarers' welfare bodies, and the rest, it is no secret, we use to conduct our activities against flags of convenience ships," he says.

When the correctness of this customary demand against blacked ships was tested in the courts in April the ITF was ordered to repay \$6,480 which it had extracted from the Liberian vessel Universe Sentinel in July 1978, as part of a \$80,000 back-pay settlement.

The Times Law Report recorded Mr Justice Parker's comments in ruling against the ITF thus: "If such other demands (the contribution to the welfare fund) could be brought in he could not see where they would stop. There would seem to be no reason why there should not be added to a demand for improved wages a demand that the shipowner should make personal payments to union officials, or indeed to anyone the union might care to specify, payments to the union's own strike fund or to the strike funds of other unions, whether affiliated or not."

Ruling that the money had been extracted under duress, his Lordship said: "The shipowners had submitted to the union's demand for payment as the only means open to them to regain the use of their vessel. The loss of the use of the vessel was so potentially disastrous that they had no practical option but to submit and prima facie tortious acts had been used by the union to deny them the use of their vessels."

The ITF is in the course of appealing against this ruling. "Whatever the final outcome, it is only likely to affect the future of the welfare fund and not the campaign against flags of convenience ships," Mr Lewis says. "We are accused of being rough and ready characters. We black ships and they play up. But what alternative do we have? You can't go in for long negotiations with the owners because 'once the ship has sailed you have lost your chance. With flag of convenience ships it is often impossible to find out who owns them anyway.'"

The International Shipping Federation will continue to press for such disputes to be settled through negotiated maritime conventions and says that it will use all its members to abide by such guidelines, though it has no power to force them to do so.

"From our point of view it is a matter of the survival of trade unionism among seafarers," Mr Lewis says. "A lot of people fail to understand that we are a trade union organization and they must not be surprised if we do a trade union job."

Business Diary: Green Shield's jewels • Smoke alarm

kings is as elusive putatively wealthy. He surprise them who brought stamps to Britain al appearance in Jay to launch his ve. presence marked personal interest. High Street chain as a Green Shield re eclipsing its ing sold to British bacco last year. ling stamps con- an air of financial international stop- Green Shield in ykins has been ling a new trading Argos came out into the arday—a jewellery Elizabeth Duke eventually spread within a shop" to stores and possibl well. as at first stumped or the chain after expensive market failed to come up. icantly dignified ut now he is happy sh Duke—it is, is wife's maiden

Rudyard Kipling would be furious. He it was who coined the adage about a woman being only a woman, while a good cigar was a smoke.

If the portents of doom prove true, that Rudyard's good cigar, the Havana, is likely to be in short supply over the next 18 months. Green's, the City wine and cigar merchants who have been plying their trade in the environs of the Royal Exchange since 1878, tell me that the Cuban cigar trade faces severe problems.

Blue mould has effected the 1980 crop and there could be problems for Havana addicts unable to wean themselves on to specimens from competing countries such as Nicaragua and British Honduras.

"Our customers are set on Havanas and many won't look at a substitute," Richard Parsons, Green's joint managing director told me.

To rub salt into the wound, the firm's office, where a good many of the City's top brass personally choose their drink, is itself so imbued with the aroma of stored Havanas that cigar addicts are likely to lose

● Interest in Zimbabwe since the country returned to the international stage threatens to topple China from its domination of the business conference market.

Next month the London Hilton will see a two-day conference on the future of Zimbabwe organized by London Export Conferences in association with British Airways and Air Zimbabwe.

A gaggle of political names will be speaking, including Foreign Office Under-Secretary Richard Luce, who took part in the Lancaster House conference

With a staff of 25 and not so much as a retail shop to its name, the firm turned over £11m last year, mainly by supplying many of the City's discount houses and other princely institutions with wines and tobacco. It is a tidy living, though not the sort of thing on which great empires are built.

But Green's clearly intend to stay up-to-date and they have just diversified into what might almost be called a wine bar.

The tiny shop which Green's lease behind the Royal Exchange has been converted into what must be the smallest watering hole in London. Champagne and quills eggs are dispensed there in suitable quantities to those who are carrying enough to know how to find the place.

Sir Peter Gadsden, the Lord Mayor, popped in to christen the Greenhouse, as it is now known, and City figures may now be regularly seen sampling the waters and also a spot of "purple perl", the port which so many financial houses have removed from their lists because it tends to send the chaps to sleep in the afternoon.

● The Companies Act is not yet a fortnight old but it has already caused a minor skirmish in the publishing world. It was over who was to be first to document the effects of its wide-ranging provisions.

In the event, the title went to Oyez Publishing and the Middle Temple barrister Victor Joffe, whose Companies Act 1980: A Practical Guide appeared over the weekend at £7.50.

Oyez had Joffe keeping tabs on the Bill during its passage through the Commons and corrections for the 320-page volume were telexed through to the Glasgow printers.

● When a variety of consumer organizations got together to form the Consumers in the European Community Group (CECEG), with the aim of improving the representation of British consumers in Brussels, there was a suggestion of mutual suspicion and jealousy in the new grouping's constitution.

Feeling that they could be victims of European empire-building, some of the organizations involved made it a condition of participation that the CECEG's chairman should never come from the National Consumer Council, the Consumers' Association, the two heavyweights.

Now Mrs Sally Oppenheim, the Minister for Consumer Affairs, has appointed Mrs Kate Foss, the chairman of the CECEG, who is an executive member of the National Federation of Women's Institutes, to the National Consumer Council.

Harried consultation with the CECEG constitution has shown to everyone's relief that Mrs Foss is not obliged to resign her chair as a result. Whether by luck or good judgment no one can say, but the clause declares that the chairman cannot be "nominated from the National Consumer Council. To be nominated to it is quite all right.

Fleet Street editors weary of printing apologies for production difficulties, "beyond our control" should track down the latest edition of Print, Journal of the National Graphical Association. There, on the front page, is the familiar wording, explaining that the issue has been reduced to four pages because of a print dispute—involving the NGA.

David Hewson

COSALT

Results for year ended 30th December 1979

| | 1979 £'000 | 1978 £'000 |
|--------------------|---------------|---------------|
| Turnover | 34,840 | 29,512 |
| Profit before tax | 1,713 | 1,602 |
| Earnings per share | 12.72p | 14.28p |
| Dividend per share | 3.50p | 2.29p |

In his statement to shareholders, circulated with the Annual Report, Mr. John Ross, Chairman, says: "The policies of restricting development to within existing activities and of creating a positive cash flow should bring its due reward in 1980 with increased profits and increased dividends for shareholders." He confirms that the mainstream activities of the Group continued to do well in 1979:

- Ships' Chandlery Division sales increased by 17% and trading profits by 31%.
- Caravan Division with sales up 25% did well to maintain trading profits in depressed market conditions.
- Refrigeration and Air Conditioning Division recovered well after a slow start and reported similar profits to last year.

Copies of the Report and Accounts may be obtained from the Secretary, Cosalt Limited, Fish Dock Road, Grimsby, S61 1BN.

COSALT

FINANCIAL NEWS

Stock markets

Index slips to six-month low

Continued warnings about the deepening world recession, coupled with political problems in the Middle-East and South Africa, made the opening day of the new account quiet and depressed.

The only exceptions to a general fall in prices were in gold shares, which received an initial boost with a \$27.50 rise in the bullion price to \$563, but later petered out, and in oil shares.

Several increases on the oil pitches followed weekend press mentions, but the sector as a whole held firm and saw price increases ranging from 7p to 35p.

But this was not enough to prevent the FT Index from slipping more than three points at the start of the day. It closed at 412.7, its lowest level for almost six months, 3.2 down.

Gilt-edged securities illustrated investors' worries about the failure of MLR to fall as well as fears of indigestion over last Friday's new £1,000 million medium term, Exchequer 13½ per cent, 1994. Longs opened easier, dipping by up to 4p, during the day with light trading, but by the close they had recovered to finish ½ lower.

Shorter-dated issues saw a few

foreign sellers, but no buyers and drifted down all day ending ½ off at the close. Dealers reported a general lack of interest while interest rates remain at their current levels.

The leading industrial stocks were particularly depressed with little trading, although a few buyers emerged as prices

Suggestions of a merger between Ranger Oil of Canada and Lasmo were vehemently denied, following a joint meeting at brokers Cazenove. The Ranger chairman said he had flown in especially for the Lasmo annual meeting. But the market has other ideas. Lasmo jumped 35p to 63p yesterday, while Ranger rose 25p to £104.

started to fall. As a result, most of the blue chip prices ended unchanged with the exception of Lucas which dipped 4p to 19½ after news of redundancies. Beechams fell by the same amount to 114p, while Reed International lost 3p to 164p in front of today's results while De La Rue, also reporting today, dropped 15p to 62½ with estimates pitched at between £35m and £37m compared with £26m last time.

Dunlop's annual meeting yesterday left the price unchanged at 71p, but Courtalds, which reported last week, finished 6p down at 65p. Glaxo at 186p, Pisons at 249p and Pilkington at 189p, also due to present results soon, were unchanged. Unilever stated at 418p, but ICI fell 2p to 350p as did Rank at 172p.

The companies which reported results yesterday did not buck the downward trend either. Marley fell 1p to 81p after half-time figures and Martin, the Newsagent, dipped 2p to 194p following disappointing trading results. Percy Bitton gave up 5p to 19½ despite profits in line with expectations which were not accompanied by a dividend increase. Marlborough Property shed 1p to 37½ before the expected results.

In engineers, J. H. Fenner's £56m American acquisition depressed the shares by 4p to 124p as a major part of the payment will come through the issue of new shares. East Midland Allied Press's improved profits and dividend boost pushed the shares up 2p to 80p, while Century Oils climbed 7p to 162p after improved profits. Suggestions that S & W Berisford's bid for British Sugar may

fail pushed down both share prices. Berisford finished 6p off at 131p and British Sugar dipped 4p to 196p. Coral Leisure gained 3p to 65p as bid speculation continued around the group, while Dundonian gained 1p to 76p on their return to the market after suspension. Brokers were swamped with requests for prospectuses for the group's offer for sale of South West Consolidated Minerals.

The leading light of the equity market, the oil shares, were being traded briskly all day. Jobbers reported good business in all shares with smaller volume in BP which

rose 10p to 344p and Shell which gained the same amount to 388p. The outstanding moves were in Lasmo which rose 35p to 63p, Ultramar, which gained 18p to 356p and Barnham which jumped 15p to 215p. Attock gained 20p to 264p and Tricent moved up 10p to 256p.

Carlisle was boosted by 9p to 138p and Imperial Continental Gas went up 16p to 832p. Berkeley Exploration at 210p, saw a 15p gain and Cluff Oil, also up by 15p at 370p, were helped by weekend press comment.

Equity turnover for May 30 was £1,645m (number of bargains 16,716). The most active stocks, according to the Exchange Telegraph, were Lasmo, Burmah, Premier, Shell, BP, Boots, Racal, Ultramar, RTZ, ICI, GEC, Marks and Spencer, Beecham, Coral Leisure and Dundonian.

Revaluation surplus of £132m for J. Sainsbury

By Peter Wilson-Smith

Supermarket group J. Sainsbury has revealed its properties for the first time since 1973, throwing up a surplus of £132m over book value.

The revaluation puts a figure of £276m on Sainsbury's properties, compared with a current book value of £144m, which is split between properties at the 1973 valuation, when the group went public and properties acquired since then at cost.

Because the revaluation was prepared internally, the surplus has not been incorporated in the group's historical accounts for the year to March, 1980. If it were, net assets per share would rise from 281p to 439p.

Sainsbury's current-cost statement shows an increase in 1979-80 profits from £26.3m to £38.1m before tax and profit-sharing. This compares with the £13.4m rise to £46.0m in historical cost profits. The dividend was covered 3.7 times by current-cost profits.

Sainsbury plans to double the number of its stores to 17 in the current year and capital spending will rise from £50m to about £70m. The hypermarket company, Savacentre, which is jointly owned with British Home Stores, will open two more stores in 1980-81.

More investment trust bids seen

By Margaret Stone

More take-over approaches and unification plans for the investment trust company market were forecast yesterday in report of one of the biggest holders of investment trusts in the country, Save and Prosper's Investment Trust Units.

The fund has a major stake in three of the four investment trusts which are currently being transformed this way.

ITU came in for heavy criticism earlier in the year for its lacklustre performance. In the six months to April 15, the fund has secured a 43 per cent increase in its interim distribution, now 60p, and seen its unit price fall by 3.6 per cent, against an easing of 3.1 per cent in the FT Actuaries Investment Trust Index.

Liquidation ends hopes Bamford shareholders

By Michael Clark

The chequered and often colourful story of Bamfords, the Uttoxeter-based maker of agricultural machinery, drew to a close yesterday with the directors placing the company in voluntary liquidation.

But the announcement came as no surprise to the stock market which had last month suspended the shares at the company's request "pending clarification of the company's financial position".

The shares, which were suspended at 20p, gave the company a market capitalization of £1.5m, which is almost half the value of the group this time last year. But any suggestions that shareholders might retrieve something from the ashes was quickly dashed by the group's merchant bankers Hambro's with the announcement of the liquidation.

Reasons for Bamford's plight are numerous, but generally point to a worsening worldwide recession in the agricultural market. This has seen profits at the pre-tax level reach a peak of £394,000 in 1977 only to plunge to a loss of £223,000 in the first half of 1979.

Competition overseas has been another factor, with the strength of sterling and cheaper alternatives in a market filled to overcapacity adding to the problems. Nearly 50 per cent of Bamford's sales go for export, and it is these companies with no production facilities abroad which have been hardest hit. In 1977 the group failed in its bid for Poclain, the French excavators.

Mr L. E. Riley, managing director, said the company had explored every alternative other than liquidation.

But with the bank refusing to lend more money, and borrowings estimated at £2.2m already, the alternatives appeared limited.

Of the interested parties the hardest hit will be Frederick H. Burgess, a private distributor of agricultural machinery, which holds nearly 60 per cent of Bamford's shares. But the decision to go into liquidation was taken in full agreement with Burgess, which has two members on the Bamford's board.

Burgess's connection with Bamford goes back over 10 years, and the group was a member of the Bamford family Mr Joseph Bamford who

founded the priv J. C. Bamford & Co. Bamford let company back in his own trailers metal. The year highly successful 20 years had been the country's lead excavation equip in 1968 JCS lau for the still fam Bamfords in orde its interest. But th a share caused a row at Bam spit the family middle. So in ord the bid, Bamford per cent of its e major distributor-Burgess.

This decision r High Court battle tually being app than Mr Quintin l

Since then Burg ally increased th acquisition and until it has now major shareholder.

But the rift of t left a bitter taste borne out yesterda pointed out that nect with the Bamfords.

Selincourt looks to recovery this year

By Peter Wilson-Smith

Textile and garment maker Selincourt expects a sizable recovery in profits in 1980-81 following a drop in the year to January 31 from £4.56m to £2.06m before tax.

Mr Lionel Leighton, chairman, said in his annual report: "In the early months of the current year there have been clear signs of improving trade activity, and the steps taken last year in preparation for an up-turn will stand us in good stead."

Selincourt's optimism is in marked contrast to the gloom emanating from many other parts of the textile industry, and analysts warn against reading too much into Selincourt's experience.

The sharpest up-turn has come in its Walker & Rice subsidiary, which makes fabrics for dress manufacturers and the retail trade, and which suffered



Mr Lionel Leighton, chairman of Selincourt.

the sharpest downturn in profits in 1979-80. Analysts point out that the fashion end of the trade is given to wide fluctuations.

Moving hits profit at Mart

By Our Financial

The decision to location of its new warehouse has cut profits on the half from Martine the N.

Interim pre-tax the six months to have dipped from £2.07m despite an sales from £44.1m

Trading profit of dipped from £2.3m and was before inter more than doubled. An interim divide had been declared with 4.56p for the period.

Latest results

| Company | Sales | Profits | Earnings | Div | Pay | Year's |
|------------------------|--------------|-------------|-------------|------------|------|-------------|
| £m | £m | £m | per share | pence | date | total |
| Int or Fin | | | | | | |
| BSC Footwear (F) | 373.1(313.9) | 63.8(59.0) | — | — | — | — |
| Century Oils (F) | 39.0(22.6) | 3.5(1.2) | 33.5(11.46) | 3.7(2.4) | 9/8 | — |
| Channel Tunnel | — | 0.05(0.012) | 0.27(0.13) | — | — | — |
| E.M. Allied Press (F) | 32.3(24.2) | 3.8(0.10) | 12.0(8.0) | 1.75(0.8*) | 15/7 | 2.75(1.74*) |
| Frank G. Gates (F) | 34.3(24.5) | 1.5(1.2) | 20.4(8.3) | 2.0(1.2) | — | — |
| Govett Erpe Trist (I) | — | — | — | 2.8(1.80) | 3/7 | — |
| Hallam Group (F) | 31.5(32.1) | 0.39(0.86) | — | nil(8) | — | — |
| J. Headcourt (F) | 17.4(13.9) | — | — | nil(11) | — | — |
| Lda Entertainments (I) | — | 0.09(0.08) | — | nil(11) | — | — |
| Marley (I) | 168.8(131.4) | 10.2(7.9) | 6.4(6.2) | 2.0(1.5) | — | — |
| Martin Newsagent (I) | 49.2(44.4) | 2.0(2.27) | — | 3.6(3.26) | — | — |
| Percy Bitton (F) | 31.5(32.1) | 6.08(5.83) | 12.0(9.2) | 4.4(4.64) | — | 6.59(6.30) |

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply net dividend by 1.428. Profits are shown pre-tax and earnings are net. * adjusted for scrip. † loss.

Anglo American Corporation of South Africa Limited

(Incorporated in the Republic of South Africa)

Preliminary Profit Announcement and Consolidated Balance Sheet

and

Notice of Final Dividend on the Ordinary Shares

Subject to final audit, the abridged consolidated income statement of the Corporation and its subsidiary companies for the year ended March 31 1980 and the abridged consolidated balance sheet at that date are as follows:

| CONSOLIDATED INCOME STATEMENT | | | | CONSOLIDATED BALANCE SHEET | | | |
|---|-------------|--------------|---|----------------------------|------------|------------|--|
| | 1980 | 1979 | | | 1980 | 1979 | |
| | R millions | R millions | | | R millions | R millions | |
| Investment income—general investments | 321.4 | 220.8 | Ordinary shareholders' equity | | 22.5 | 22.4 | |
| Interest earned and less income less expenses | 113.9 | 82.8 | Ordinary share capital | | 14.4 | 5.9 | |
| Trading profits | 8.4 | 8.4 | Share premium | | 379.3 | 366.7 | |
| Surplus on realisation of general investments | 13.4 | 11.6 | Non-distributable reserves | | 693.4 | 560.2 | |
| | | | Distributable reserves | | 1 109.6 | 955.2 | |
| | 457.1 | 323.4 | | | | | |
| Interest paid | 53.4 | 44.1 | Preferred stock and preference shares | | 4.8 | 4.8 | |
| Costs of prospecting | 17.2 | 11.8 | Preference share capital | | 1.0 | 1.0 | |
| Provision against loans | 4.0 | 2.5 | Preference share premium | | 39.0 | 39.0 | |
| | 74.6 | 58.4 | | | 44.8 | 44.8 | |
| Profit before taxation | 342.5 | 265.0 | Outside shareholders' interests in subsidiary companies | | 1 154.4 | 1 000.0 | |
| Taxation | 24.6 | 16.9 | Loan capital | | 112.8 | 103.4 | |
| | | | Loan capital | | 131.4 | 146.3 | |
| Profit after taxation | 357.9 | 248.1 | Life insurance funds | | 600.3 | 570.4 | |
| Outside shareholders' interests in profits of subsidiary companies | 46.8 | 42.7 | Loans | | 1 590.8 | 608.4 | |
| Preferred stock and preference share dividends | 4.5 | 3.4 | | | | | |
| | | | Other liabilities | | 87.7 | 69.0 | |
| Profit attributable to ordinary shareholders before extraordinary items | 51.3 | 46.1 | Creditors, taxation and provisions | | 113.8 | 72.3 | |
| (Earnings per share) (Note 1) | 136.1 cents | (90.2 cents) | Shareholders for dividends | | 4.0 | 11.5 | |
| Ordinary dividends (Note 2) | 157.7 | 103.0 | Bank overdrafts | | 395.5 | 183.3 | |
| | | | | | 3 885.2 | 2 583.3 | |
| Retained profit before extraordinary items | 148.9 | 99.0 | Represented by: | | | | |
| Extraordinary items (Note 3) | 2.4 | 6.9 | Investments | | | | |
| | | | General investments: | | | | |
| Retained profit after extraordinary items | 146.5 | 92.1 | Listed—market value R5 058.2 million (1979: R3 071.4 million) | | 1 012.4 | 747.5 | |
| Unappropriated profit, March 31 1979 | 10.7 | 17.5 | Unlisted—directors' valuation R364.9 million (1979: R314.5 million) | | 118.6 | 131.4 | |
| Adjustments to unappropriated profit brought forward | (0.1) | 1.1 | | | 1 130.4 | 878.9 | |
| | 10.6 | 18.6 | Life insurance investments | | 787.8 | 678.9 | |
| Appropriation to reserves | 157.1 | 110.7 | | | 1 915.2 | 1 557.8 | |
| Unappropriated profit, March 31, 1980 | 17.1 | 10.7 | Fixed assets | | 47.1 | 39.1 | |
| | | | Leasing assets | | 9.7 | 9.3 | |
| | | | Intangible assets | | 11.3 | 13.5 | |
| | | | Loans—less provision | | 326.0 | 266.0 | |
| | | | Other assets | | 11.3 | 9.5 | |
| | | | Stocks, stores and work in progress | | 191.2 | 138.7 | |
| | | | Debtors | | 1 370.4 | 547.3 | |
| | | | Cash on deposit, at call and short notice | | 1 572.9 | 696.0 | |
| | | | | | 3 885.2 | 2 583.3 | |

NOTES:

- If the Corporation's share of the undistributed profits of the investments, in which it and its associates hold in aggregate 20 per cent or more of the equity, were taken into account, the estimated total earnings per share would be 280 cents (1979: 184 cents).
- Ordinary dividends comprise:

| | 1980 | 1979 |
|--|-------|-------|
| No. 87 (interim) of 20 cents per share R millions | | |
| (1979: 14 cents) declared November 27 1979 | 45.0 | 31.2 |
| No. 88 (final) of 50 cents per share (1979: 32 cents) declared June 2 1980 | 112.7 | 71.8 |
| | 157.7 | 103.0 |

FINAL DIVIDEND ON THE ORDINARY SHARES

A final dividend (No. 88) of 50 cents a share (1979: 32 cents) in respect of the year ended March 31 1980 has been declared payable on July 25 1980 to holders of ordinary shares registered in the books of the Corporation at the close of business on June 20 1980 and to persons presenting coupon No. 88 detached from share warrants to bearer. This dividend, together with the interim dividend of 20 cents a share declared on November 27 1979, makes a total of 70 cents a share for the year (1979: 46 cents). A notice regarding payment of this dividend to holders of share warrants to bearer will be published in the Press by the London Secretary on or about June 6 1980.

The ordinary share transfer registers and the ordinary section of the register of members will be closed from June 21 to July 4 1980, both days inclusive, and warrants will be posted from the Johannesburg and the United Kingdom offices of the transfer

secretaries on or about July 24 1980. Registered shareholders paid from the United Kingdom will receive the United Kingdom currency equivalent on July 15 1980 of the rand value of their dividends (less appropriate taxes). Any such shareholders may however elect to be paid in South African currency, provided that the request is received at the offices of the Corporation's transfer secretaries in Johannesburg or in the United Kingdom on or before June 20 1980. The effective rate of non-resident shareholders' tax is 13.684 per cent. The dividend is payable subject to conditions which can be inspected at the head and London offices of the Corporation and at the offices of the Corporation's transfer secretaries, Consolidated Share Register Limited, 62 Marshall Street, Johannesburg 2001, and Charter Consolidated Limited, Charter House, Park Street, Ashford, Kent TN24 8EQ.

By order of the board
J. T. Goldfinch
Managing Secretary
Head Office:
4, Main Street
Johannesburg
2001
June 3 1980.

Briefly

BSC Footwear (subsidiary of Sears Hedges): Turnover for year to Jan 26, £373m (£313.9m). Pre-tax profit £63.8m (£59.0m).

Menlys: Board confirms that discussions with Renault (UK) announced on May 1 regarding granting of franchises for Renault products in the North, South and central areas of Manchester have been successful. Menlys have now commenced trading in Renault products.

Govett European Trust: Proposals for unitisation of Trust announced to shareholders are progressing. Discussions with the Department of Trade relating to the new authorised unit trust are at an advanced stage. The interim dividend is 3.9p gross (2.5p gross).

S. Jerome and Sons (Hides): Company has acquired business and relevant assets of C. M. R. Electronics (Lincs) (which formed part of the Weldit Group) from its receivers through the purchase of issued share capital of Mercatrow which trades as C. M. R. Electronics. Total consideration is £289,200 which has been satisfied in cash.

Hampton Trust: Company has bought a 50 per cent interest in small gold mine at Caride, Western Australia. Maximum consideration £50,000.

Berkeley Hambro: Property offer for Bishopsgate Property and General Investments has been extended to June 13. Offer accepted by holders of 6,399 shares (8.1 per cent for which offer was made). A subsidiary of Berkeley owned 693,750 shares prior to offer.

Channel Tunnel Investments: Gross income for 1979, £15,800 (£12,500). Net income £4,000 (£2,000) after tax and expenses. Eps 0.27p (0.12p).

London Entertainments: Pre-tax profit for half year to Feb 29 was £93,300 (£80,300). No interim dividend (same).

John Heathcoat and Co: Turnover for 1979, £17,487m (£13,973m). Loss after all charges including tax, £89,000 (profit £235,000). Tax charged £51,200 (£20,000). No dividend (same).

Czechoslovakian Euroloan: The Czechoslovakian foreign trade bank Ceskoslovenska Obchodni Banka is raising \$200m through a seven-year Eurocredit, joint-lead manager Lloyds Bank International says. Credit carries interest at 2 per cent above London interbank offered rates throughout, with four years grace.

GARNAR SCOTBLA LIMITED

Tanners & Leather Manufacturers

| | 1980 | 1979 |
|-------------------|--------|--------|
| Turnover | £600 | £600 |
| Trading Profit | 39,875 | 31,687 |
| Profit before Tax | 2,841 | 2,287 |
| Profit after Tax | 1,371 | 1,323 |
| Dividends | 1,289 | 1,129 |
| Net Assets | 333 | 255 |
| | 9,353 | 7,483 |

Highlights from the Statement by the Chairman Sir Kenneth Newton, Bt., O.B.E., T.D., for the year ended 31st January 1980.

- The Group has expanded to become one of the lead leather tanners in Europe.
- Final dividend of 3.85p per share is recommended, making a total of 6.25p, representing an increase of 25%.
- An increase of 56% in exports to £17 million achieved strength of sterling indicating healthy world demand specialised products.
- Profits would have been considerably higher had it not been for very difficult trading conditions in heavy bovine sector.
- Future commitments in hides have been reduced, while guarding our lines of supply for sheepskins.
- Major profits contribution came from tanneries. The definite move in public preference towards use of new materials and demand for light leathers of all descriptions remained strong.
- Raw material prices have fallen to more realistic level. Group will benefit from reduction in working capital.

GARNAR SCOTBLAIR LIMITED
The Grange,
Bermondsey, London SE1 3AQ.

Hessische Landesbank in London

Hessische Landesbank-Girozentrale has established its own full-service branch by integrating the present London banking facilities of one of its subsidiaries.

Hessische Landesbank London Branch
55 Basinghall Street
London EC2V 5BL
Telephone: 01-606 499-1
Telex: 8875 11

Ronald A. Copeman
General Manager
Gernot G. Kluss
Deputy General Manager

Helaba Frankfurt
Hessische Landesbank-Girozentrale

Mr Percy Bilton, chairman of
Percy Bilton.

By Philip Robinson
The Stock Exchange listing for the Manchester Liners will disappear in two months time when Hongkong shipping magnate Mr C. Y. Tung hopes to mop up the 0.8 per cent he does not already own and which is spread among 200 small shareholders.

Yesterday his Rendish Investment Group bought 37.6 per cent of ML from Mr Frank Narry's Eurocanadian Shipholdings for an undisclosed sum. At last night's price it would have been worth around \$7m.

er Liners

as managing director of Fiat Auto (UK). Mr E. Spinelli who takes up new responsibilities for international projects, while remaining chairman of Fiat Finance.

gained 33.2 per cent to 614.637 bn yen from 461.292 bn yen. Dai-ichi Kangyo officials attributed the steady increase

Under the original accounting system, banks are required to assess bond holdings on the basis of the current market

1980. This compares with R265.0m for 1979. Taxation was R24.6m against R16.9m, giving an after-tax profit figure of R357.9m compared with R248.1m. Retained profit for the year before extraordinary items reached

The market value of the corporation's listed general investments in 1980 was R5,058.2m (R3,071.4m).
The corporation's annual report and accounts is expected to be published on or about Monday June 30, 1980.

under which name ABN Bank
will from now operate in
France.

planned capital and exploratory spending for Texaco and subsidiary companies to nearly \$2.6bn (about £1bn), an increase of about \$500m over the expenditures originally anticipated at the beginning of the year.

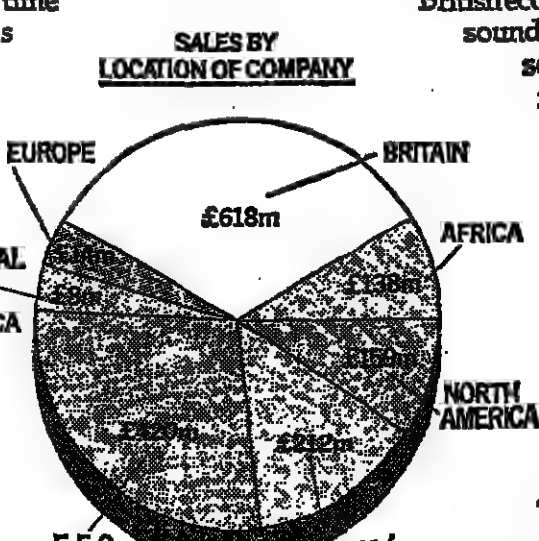
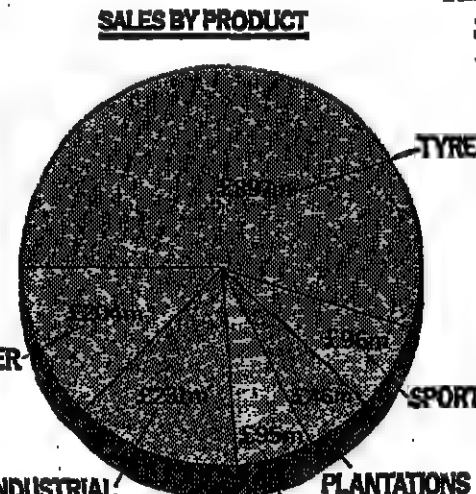
and home?"

Brothers' acquisitions in two German companies, Flacglas and Dahlhaltungs-AG, has now

15%.

| | | | | | |
|----------------------|-----|----|------|------|------|
| Ordway Limited | 223 | -2 | 14.3 | 6.4 | *5.8 |
| Winlock Ord | 13 | +1 | 0.8 | 6.5 | *2.4 |
| Winlock 12% ULS | 76 | +2 | 12.0 | 15.8 | — |
| Winlock Holdings | 48 | — | 2.6 | 5.4 | 10.2 |
| Winlock Holdings New | 45 | — | — | — | 9.6 |
| Walter Alexander | 92 | — | 4.4 | 4.7 | 6.1 |
| W. S. Yeates | 210 | — | 12.1 | 5.8 | *3.4 |

Address _____



| Company | Price | Ch'se | Gross Div(%) | Y'd | P. E |
|-----------------------|-------|-------|--------------|------|------|
| Airsprung Group | 59 | -1 | 6.7 | 11.4 | *3.5 |
| Armistage & Rhodes | 34 | - | 3.8 | 11.2 | *2.2 |
| Bardon Hill | 280 | - | 13.8 | 4.9 | *8.2 |
| Company Cars Pref | 78 | - | 15.3 | 19.6 | - |
| Deborah Ord | 92 | -1 | 5.0 | 5.4 | 10.1 |
| Frank Horsell | 121 | -1 | 7.9 | 5.5 | 7.5 |
| Frederick Parker | 95 | -1 | 12.8 | 13.5 | *4.4 |
| George Blair | 92 | - | 16.5 | 15.9 | *— |
| Jackson Group | 73 | - | 7.0 | 8.3 | *2.8 |
| James Beungh | 104 | - | 5.2 | 6.9 | 9.2 |
| Robert Jenkins | 300 | - | 31.3 | 10.4 | *9.6 |
| Torday Limited | 223 | -2 | 14.3 | 6.4 | *5.8 |
| Twynlock Ord | 13 | +1 | 0.8 | 6.5 | *2.4 |
| Twynlock 12% ULS | 76 | +2 | 12.0 | 15.8 | — |
| Uniblock Holdings | 48 | - | 2.6 | 5.4 | 10.2 |
| Uniblock Holdings New | 45 | - | - | - | 9.6 |
| Walter Alexander | 92 | - | 4.4 | 4.7 | 6.1 |
| W. S. Yeates | 210 | - | 12.1 | 5.8 | *3.4 |

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